

T O U R I S M

(Law of RI No. 10 Year 2009, dated January 16, 2009)

**WITH THE BLESSING OF THE ONE AND ONLY GOD
PRESIDENT OF THE REPUBLIC OF INDONESIA,**

Considering:

a. that the condition of nature, the flora, and fauna, as gifts of the One and Only God, and heredity from the olden times, historical heredity, arts, and culture that belong to the Indonesian nation constitute resources and capital for development of tourism for the improvement of the prosperity and welfare of the people as contained in the 1945 Constitution;

b. that the freedom to travel and make use of the opportunity in the form of tourism constitutes part of the human rights;

c. that tourism is integral part of the nation development carried out systematically, planned, integratedly, continuously and with responsible by keep providing protection to religious value, the culture existing within the community, preservation and the quality of the living environment, and interest of the nation;

d. that development of tourism is needed to motivate equal opportunity to run business and to obtain benefit and to be

capable to encounter challenges on the change to living locally, nationwide, and globally;

e. that Law No.9 Year 1990 (BN No. 5045 pages 1B-8B) concerning Tourism is no longer justify with the demand and grown of tourism so that it needs to be replaced;

f. that based on the consideration referred to in letters a, b, c, d, and e, it is necessary to establish a Law on Tourism;

In view of:

Articles 20 and Pasal 21 of the 1945 Constitution of the State of the Republic of Indonesia Year 1945 (BN No. 7152 pages 14A-23A);

With the Joint Approval of the
HOUSE OF THE PEOPLE'S OF THE REPUBLIC OF INDONESIA
SIA
AND
THE PRESIDENT OF THE REPUBLIC OF INDONESIA

DECIDES:

To stipulate:

A LAW ON TOURISM.

CHAPTER I
GENERAL PROVISION
Article 1

What is meant in this Law by:

1. Tour shall be traveling activities exercised by any person or a group of persons by visiting certain places for recreation, personal development, or studying the uniqueness of attraction of the tour made within a period of temporary time.
2. Tourist shall be the person exercising a tour.
3. Tourism shall be various kinds of tour activities supported by various facilities and services provided by the community, entrepreneurs, Government and Regional Government.
4. Tourism matter shall be all activities relating to tourism in the form multidimension and multidiscipline emerging as the object of the need of every person and the country as well as interaction between the tourist and the local community, among the tourists, the Government, Regional Government, and Entrepreneurs.
5. Tour attraction power shall be all matters having uniqueness, beauty, and value in the form of variety natural wealth, culture, and the man made product as the target or objective of the tourists visit.
6. Area of tourism object hereinafter referred to as Tourists Destination shall be geographic zone existing in one or more administrative regions wherein attractive resources to tourists, public facilities, accessibility, and

interrelated and mutually fit out each other exist in order to accomplish the desired tourism resources.

7. Tourism business shall be business providing goods and/or services to fulfill tourist needs and implementation of tourism.
8. Tourism Entrepreneur shall be any person or group of persons exercising tourism business activities.
9. Tourism Industry shall be interrelated group of tourist businesses in the context of producing goods and/or services for the fulfillment of tourist needs in the implementation of tourism.
10. Tourism Strategic Zone shall be zone having tourism prime function or having potentiality to develop tourism having essential outcome in one or more aspects, such as growth in economy, social and culture, effective use of natural resources, supporting power for living environment, and defense as well as security.
11. Competence shall be sets of knowledge, skill, and well self-mannered, self-comprehension, and self-controlled by tourism personnel in developing job professionalism.
12. Certificate shall be provision of certificate to tourism business and personnel to support improvement in tourism product quality, services, and management of tourism.
13. Central Government hereinafter referred to as Government, shall the President of the Republic of Indonesia that holds the power over administration of the State of the Republic of Indonesia as referred to in 1945 Constitution of the State of the Republic of Indonesia.
14. Regional Government shall be the Governor, Regent or Mayor and regional instruments as implementing elements of regional administration.
15. Minister shall be minister whose duty and responsibility are in tourism sector.

CHAPTER II

PRINCIPLES, FUNCTION AND OBJECTIVES

Article 2

Tourism shall be implemented based on the principles below:

- a. benefit;
- b. amiability;
- c. just and equal;
- d. stability;
- e. independence;
- f. preservation;
- g. partcipativeness;
- h. continuously;
- i. democratically;
- j. equality; and
- k. unity.

Article 3

Tourism functions to fulfill the physical, mental and intellectual needs of every tourist with recreation and travel and improve the State revenue in order to accomplish the people's welfare.

Article 4

Tourism has the objectives to:

- a. Improve the growth of economy;
- b. improve the people's welfare;
- c. eliminate poverty;
- d. restrain joblessness;
- e. preserve nature, environment and resources;
- f. enhance the culture;
- g. uphold image of the nation;
- h. maintain sense of love to the motherland;
- i. strengthen self-esteem and unity of the nation; and
- j. tighten friendship inter-nations.

CHAPTER III**PRINCIPLES FOR IMPLEMENTATION OF TOURISM****Article 5**

Tourism shall be implemented based on the principles below:

- a. hold highly religious norms and value of the culture to clarify the concept of living in poised relationship between human being and the One and Only God, the relationship between human being and the environment.
- b. hold highly human rights, variety of cultures, and the local intelligence;

- c. give benefit for the people's welfare, justice, equality and proportionally;
- d. maintain natural preservation and living environment;
- e. make efficient use of the local community;
- f. guarantee inter-sectors integration, inter-region, inter-central and regional government that constitute one systematic unity in the context of regional autonomy, and inter-stakeholders integration;
- g. obey the code of ethics in tourism business and international agreement in the tourism sector; and
- h. strengthen the solidity of the State of Unity of the Republic of Indonesia.

CHAPTER IV**DEVELOPMENT OF TOURISM****Article 6**

Tourism shall be developed based on the principles referred to in Article 2 accomplished through development of tourism with due observance with the diversity, uniqueness, and typical culture and nature, and the human needs for tourism.

Article 7

Development of tourism shall cover:

- a. tourism industry;
- b. destination of tourism;
- c. marketing; and
- d. tourism institution.

Article 8

(1) Tourism shall be developed based on master plan of

tourism development consisting of master plan of national tourism development, master plan of provincial tourism development, and master plan of regency/municipality tourism development.

(2) Tourism development referred to in paragraph (1) shall constitute integral part of the national long-term development.

Article 9

(1) The master plan of national tourism development referred to in Article 8 paragraph (1) is governed in Regulation of the Government.

(2) The master plan of provincial tourism development referred to in Article 8 paragraph (1) is governed in Regional Regulation of Province.

(3) The master plan of regency/municipality tourism development referred to in Article 8 paragraph (1) is governed in Regional Regulation of Regency/Municipality.

(4) The master plan of tourism development referred to in paragraphs (1), (2), and (3) is prepared by involving the stakeholders.

(5) The master plan of tourism development referred to in paragraph (4) involves planning of tourism industrial development, tourism destination, marketing, and tourism institution.

Article 10

The Government and Regional Government shall motivate domestic capital investment and foreign capital investment in the tourism sector according to the master plan of national, provincial and regency/municipality tourism development.

Article 11

The Government together with tourism related institution shall conduct research and development in tourism in support of tourism development.

CHAPTER V

STRATEGIC ZONE

Article 12

(1) Tourism strategic zone shall be determined with due observance of the following aspects:

- a. natural and cultural tourism resources that potentially constitute attraction for tourism;
- b. market potentiality;
- c. strategic location that takes the role to maintain the nation unity and regions totality;
- d. protection of certain locations having strategic role in preserving the function and supporting power of living environment;
- e. strategic location having the role in preserving activities and making use of cultural assets;
- f. readiness and support of the people; and
- g. exclusiveness of the region.

- (2) Tourism strategic zone is developed in participation for achievement of unity and unitary of the nation, the totality of the Unity State of the Republic of Indonesia and improvement of the people's welfare.
- (3) Tourism strategic zone must observe the aspects of culture, social and religion of the local people.

Article 13

- (1) The tourism strategic zone referred to in Article 12 paragraphs (1) and (2) consists of national tourism strategic zone, provincial tourism strategic zone and regency/municipality strategic zone.
- (2) The tourism strategic zone referred to in paragraph (1) shall constitute integral part of the national, provincial and regency/municipality space layout plans.
- (3) National tourism strategic zone shall be determined by the Government, provincial tourism strategic zone shall be determined by Regional Government of Province, and regency/municipality tourism strategic zone shall be determined by Regional Government of Regency/Municipality.
- (4) *Special tourism zone shall be stipulated by law.*

CHAPTER VI

TOURISM BUSINESS

Article 14

- (1) Tourism business shall cover, among other things:

- a. tourist attraction power;
- b. tourism zone;
- c. tourist transportation service;
- d. tourist travel service;
- e. food and beverage service;
- f. accommodation service;
- g. provision of entertainment and recreation activities;
- h. provision of place for meetings, travel incentive, conference, and exhibition;
- i. tourism information service;
- j. tourism consultancy service;
- k. tourist guide service;
- l. water resort tourist; and
- m. spa.

- (2) Tourism business other than referred to in paragraph (1) shall be governed in Regulation of the Minister.

Article 15

- (1) To be able to conduct tourism business as referred to in Article 14, tourism businessman shall be obliged to first register its business to the Government or Regional Government.
- (2) Further provision on the procedure for registration referred to in paragraph (1) shall be governed in Regulation of the Minister.

Article 16

The Government or Regional Government may

postpone or review registration for tourism business if it is not in accordance with the procedure referred to in Article 15.

Article 17

The Government or Regional Government shall be obliged to develop and protect micro, small, medium businesses and cooperatives in the tourism sector by means of the following:

- a. by stipulating policy on tourism business reservation for micro, small, medium businesses and cooperatives; and
- b. facilitating partnership in micro, small, medium businesses and cooperatives by big scale business.

CHAPTER VII

RIGHTS, OBLIGATIONS AND PROHIBITION

Part One

Rights

Article 18

The Government and/or Regional Government shall govern and manage tourism matters in accordance with the provisions in the statutory regulation.

Article 19

- (1) Everybody has the right to:
- a. obtain opportunity to fulfill tourist needs;
 - b. conduct tourism business;
 - c. be employed as tourism workers/laborers; and/or
 - d. take role in tourism development process.

(2) Everybody and/or members of the community within and around tourism place of destination shall have priority right to:

- a. become worker/laborer;
- b. enter into consignment; and/or
- c. management.

Article 20

Every tourist shall have the right to obtain:

- a. accurate information on the attractive power for tourists;
- b. tourism service according to standard;
- c. protection of the law and security;
- d. health service;
- e. protection to personal right; and
- f. insurance protection for high risk tourism activities.

Article 21

Physically handicapped tourists, children, and old age tourists shall have the right to obtain special facilities as they required.

Article 22

Every tourism entrepreneur shall have the right to:

- a. obtain equal opportunity in making business in the tourism sector;
- b. establish and become member of tourism association;
- c. obtain protection of the law in running business; and
- d. obtain facilities in accordance with the provisions in the statutory regulation.

Part Two
Obligations

Article 23

(1) The Government and Regional Government shall be obliged to:

- a. provide information on tourism, protection of the law, and security and safety to the tourists;
- b. create favorable atmosphere for development of tourism business that covers giving the same opportunity to run business, facilitate and provide legal security;
- c. maintain, develop, and preserve national assets as the attractive power to tourists and still hidden potential assets; and
- d. supervise and control tourism business in the preventing and control various negative impacts to the society at large.

(2) Further provision on supervision and control of tourism referred to in paragraph (1) letter d shall be governed in Presidential Regulation.

Article 24

Everybody shall be obliged to:

- a. maintain and preserve attracting power to tourists; and
- b. assist in accomplishing secured atmosphere, good order, clean, good manner, and maintain and preserve the place of destination for tourists.

Article 25

Every tourist shall be obliged to:

- a. maintain and honor religious norms, customary, culture, and values of living within the local community;
- b. maintain and preserve the environment;
- c. participate in maintaining order and security in the environment; and
- d. participate and prevent all kinds of actions that violate morality and actions violating the law.

Article 26

Every tourism entrepreneur shall be obliged to:

- a. maintain and honor religious norms, customary, culture, and values of living within the local community;
- b. provide accurate and accountable information;
- c. provide non-discriminative service;
- d. provide convenience, friendliness, security protection, and safety to the tourists;
- e. provide insurance protection to tourism business with high risk;
- f. develop partnership with the local micro, small, medium businesses and cooperatives with mutual need, strengthening, and profitable;
- g. prioritize use of the local community products, domestic products and give opportunity to local manpower;
- h. improve

- h. improve competence of manpower by training and education;
- i. take active role in the effort of developing infrastructure and make efficient use of the local community;
- j. participate and prevent all kinds of actions against morality and actions that violate the law within the environment of its business;
- k. maintain healthy, clean and pleasant environment;
- l. maintain preservation of natural and cultural environment;
- m. maintain the image of the Indonesian State and nation through accountable tourism business activities and
- n. apply business standard and standard competence according to the provisions in the statutory regulation.

Part Three

Prohibition

Article 27

- (1) Everybody is prohibited from damaging part of or the entire tourism physical attracting power.
- (2) Damaging tourism power of attraction referred to in paragraph (1) shall be any action by changing the color, the form, eliminate certain special species, polluting the environment, removing, taking, destroying, or damaging tourism power of attraction causing less or eliminating the uniqueness, beauty, and authentic value of

tourism power of attraction duly stipulated by the Government and/or Regional Government.

CHAPTER VIII

AUTHORITY OF THE GOVERNMENT AND REGIONAL GOVERNMENT

Article 28

The Government shall be authorized to:

- a. compile and stipulate master plan for the national tourism development;
- b. coordinate tourism development cross-sector and cross province;
- c. enter into international cooperation in tourism sector in accordance with the provision in the statutory regulation;
- d. stipulate the national tourism power of attraction;
- e. stipulate destination of national tourism;
- f. stipulate the norms, standard, guideline, procedure, criteria, and supervisory system in exercising tourism;
- g. develop policy for development of human resources in the tourism sector;
- h. maintain, develop, and preserve the national assets that constitute tourism power of attraction and the still hidden potential assets;

- l. create and facilitate national tourism promotion;
- j. provide facilities that support tourist visits;
- k. provide information and/or early reminder relating to security and safety of the tourists;
- l. improve efficient use of the community and potential tourism that the community has;
- m. supervise, monitor, and evaluate implementation of tourism; and
- n. allocate budget for tourism.

Article 29

The provincial government shall be authorized to:

- a. compile and stipulate master plan of tourism development of the province;
- b. coordinate implementation of tourism in its area;
- c. register, record, and maintain data of registration on tourism business;
- d. decide place of destination of provincial tourism;
- e. decide provincial tourism power of attraction;
- f. facilitate promotion of place of destination and tourism products existing in its region;

- g. maintain provincial assets that constitute the provincial tourism power of attraction; and
- h. allocate budget for tourism.

Article 30

Regency/Municipality government shall be authorized to:

- a. compile and stipulate master plan for place of destination for tourism of regency/municipality;
- b. decide the place of destination for tourism of regency/municipality;
- c. stipulate tourism power of attraction of the regency/municipality;
- d. register, record, and maintain data of registration of tourism business registration;
- e. govern implementation and management of tourism in its region;
- f. facilitate and promote the place of destination of tourism and tourism products existing in its region;
- g. facilitate development of new tourism power of attraction;
- h. provide training and research on tourism within the regency/municipality environment;
- i. maintain

- i. maintain and preserve tourism power of attraction in its region;
- j. implement management of the people to be aware of tourism; and
- k. allocate budget for tourism.

Article 31

- (1) Every individual person, tourism organization, government institution, and business entity having extraordinary performance or contributing major assistance in its participation to improve development, pioneering, and dedication in the tourism sector as proven by concrete fact shall be conferred with award.
- (2) The award referred to in paragraph (1) shall be conferred by the Government or other reliable constitution.
- (3) The award may be in the form of charter, money, or other beneficial award.
- (4) Further provision on grant of award, kind of appreciation, and grant of award referred to in paragraphs (1), (2), and (3), shall be governed in Presidential Regulation.

Article 32.....

(To be continued)

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TOURISM

(Law of RI No. 10 Year 2009, dated January 16, 2009)

[Continued from Business News No. 7833 pages 24A-34A]

Article 32

- (1) The Government or Regional Government shall guarantee availability of information and distribute it to the people for the purpose of development of tourism.
- (2) In providing and distributing information, the Government shall develop national tourism information system.
- (3) The Regional Government may develop and manage tourism information system according to capability and condition of the region.

CHAPTER IX COORDINATION

Article 33

- (1) In the context of improving implementation of tourism the Government shall conduct strategic coordination cross-sectors based on the policy, program, and tourism activities.
- (2) The strategic coordination of cross-sectors referred to in paragraph (1) shall cover:
 - a. customs, immigration, and quarantine services;
 - b. religious and order matters;
 - c. public infrastructure covering roads, clean water, electricity, telecommunication, and environmental health;
 - d. land, sea and air transportation sector; and

e. promotion of tourism and overseas cooperation.

Article 34

The President or Vice President shall lead the strategic coordination cross-sectors referred to in Article 33 paragraph (1).

Article 35

Further provision on working procedure, mechanism, and connection of strategic coordination cross-sectors referred to in Articles 33 and 34 shall be governed in Presidential Regulation.

CHAPTER X

INDONESIA TOURISM PROMOTION AGENCY

Part One

Indonesian Tourism Promotion Agency

Article 36

- (1) The Government shall facilitate establishment of Indonesia Tourism Promotion Agency domiciled in the State's capital city.
- (2) The Indonesia Tourism Promotion Agency referred to in paragraph (1) shall constitute private and independent institution.
- (3) The establishment of Indonesia Tourism Promotion Agency referred to in paragraph (1) shall be stipulated in Presidential Decree.

Article 37

Organizational structure of Indonesia Tourism Promotion Agency shall consist of two (2) elements, namely the policy maker and implementing element.

Article 38

- (1) The policy maker of Indonesia Tourism Promotion Agency referred to in Article 37 shall comprise nine (9) members consisting of:
 - a. four (4) representatives of tourism association;
 - b. two (2) professional association representatives;
 - c. one (1) flight association representative; and
 - d. two (2) experts/ academics.
- (2) The Minister shall propose membership of policy maker of Indonesia Tourism Promotion Agency to the President for a maximum four (4) years term of office.
- (3) The policy maker of Indonesia Tourism Promotion Agency shall be led by a chairman and vice chairman assisted by a secretary elected from among the members.
- (4) Further provision on working procedure, requirements, and procedure for appointment and dismissal of policy maker referred to in paragraphs (1), (2) and (3) shall be governed in Regulation of the Minister.

Article 39

The policy maker referred to in Article 38 shall establish operating element to run operational duty of the Indonesia Tourism Promotion Agency.

Article 40

- (1) The operating element of Indonesia Tourism Promotion Agency shall be led by an executive director assisted by some directors as needed.
- (2) The operating element of Indonesia Tourism Promotion Agency shall be obliged to compile work procedure and work plan.
- (3) The term of office of the operating element of Indonesia Tourism Promotion Agency shall be maximum three (3) years and may re-instated for the next one (1) term of office.
- (4) Further provision on work procedure, requirements, and procedure for appointment and dismissal of the operating element referred to in paragraphs (1), (2) and (3) shall be governed by Regulation of the Indonesia Tourism Promotion Agency.

Article 41

- (1) Indonesia Tourism Promotion Agency shall function to:
 - a. improve Indonesia image in tourism;
 - b. increase visits of various countries and income from foreign exchange;
 - c. increase tourist visits to Indonesian archipelago and expenditures;
 - d. collect fund from resources other than the State Budget and Expenditure and Regional Budget and Expenditure in accordance with the provisions in the statutory regulation; and
 - e. conduct

- e. conduct research in the context of business development and tourism business.
- (2) Indonesia Tourism Promotion Agency shall function as:
- a. tourism promotion coordinator run by the business world both in the central and regional governments; and
 - b. working partner of the Government and Regional Government.

Article 42

- (1) Source of fund of Indonesia Tourism Promotion Agency originates from:
- a. the stakeholders; and
 - b. other legal and unbinding sources based on the provisions in the statutory regulation.
- (2) Fund assistance originating from State Budget and Expenditure and Regional Budget and Expenditure shall constitute as grant based on the provisions in the statutory regulation.
- (3) Management of fund originating from non-State Budget and Expenditure and Regional Budget and Expenditure must be audited by public accountant and shall be announced to the society.

Second Part

Regional Tourism Promotion Agency

Article 43

- (1) Regional Government may facilitate establishment of Regional Tourism Promotion Agency

domiciled in provincial and regency/municipality capital cities.

- (2) Regional Tourism Promotion Agency referred to in paragraph (1) shall be private and independent institution.
- (3) In carrying its activities Regional Tourism Promotion Agency shall be obliged to coordinate with Indonesia Tourism Promotion Agency.
- (4) Establishment of Regional Tourism Promotion Agency referred to in paragraph (1) shall be stipulated in Decision of the Governor/Regent/Mayor.

Article 44

Organizational structure of Regional Tourism Promotion Agency consists of two (2) elements, namely policy maker and operating element.

Article 45

- (1) The policy makers of Indonesia Regional Tourism Promotion Agency referred to in Article 44 comprise nine (9) members consisting of:
- a. four (4) members of tourism association representatives;
 - b. two (2) members of professional association representatives;
 - c. one (1) member flight association representatives; and
 - d. two (2) experts/academics.
- (2) Membership of policy making elements of Regional Indonesia Tourism Promotion Agency shall be

stipulated in Decision of the Governor/Regent/Mayor for four (4) years term of office.

(3) The policy making elements of Regional Tourism Promotion Agency shall be led by a chairman and a vice chairman assisted by a secretary elected from among and by all members.

(4) Further provision on work procedure, requirements, and procedure for appointment and dismissal of policy making elements referred to in paragraphs (1), (2), and (3) shall be governed in Regulation of the Governor/Regent/Mayor.

Article 46

The policy making elements referred to in Article 45 shall establish operating elements to run operation of Regional Tourism Promotion Agency.

Article 47

(1) The operating element of Regional Tourism Agency shall be led by an executive director assisted by a number of directors based on requirement.

(2) The operating elements of Regional Tourism Promotion Agency shall be obliged to compile work procedure and work plan.

(3) The term of office of the operating element of Regional Tourism Promotion Agency shall be maximum three (3) years and may be re-instated once in the next term of office.

(4) Further provision on work procedure, requirements, and procedure for appointment and dismissal of operating element referred to in paragraphs (1), (2) and (3) shall be governed in Regulation of Regional Tourism Promotion Agency.

Article 48

(1) Regional Tourism Promotion Agency shall function to:

- a. improve the image of Indonesian tourism;
- b. increase visits foreign countries tourists and foreign exchange income;
- c. increase visits of the archipelago tourists and expenditure;
- d. collect funds from the sources other than from the State Budget and Expenditure and Regional Budget and Expenditure based on the provisions in the statutory regulation; and
- e. conduct research in the context of business development and tourism business.

(2) Regional Tourism Promotion Agency shall function as:

- a. tourism promotion coordinator that run business both in the central and regional government; and
- b. working partner of the Government and Regional Government.

Article 49

(1) Source of finance of Regional Promotion Tourism Agency shall come from:

- a. the stakeholders; and
- b. other legal and unbinding sources based on the provisions in the statutory regulation.

(2) Fund assistance derived from the Regional Budget and Expenditure shall constitute grant based on the provisions in the statutory regulation.

(3) Management of fund derived from non-State Budget and Expenditure and non-Regional Budget and Expenditure must be audited by public accountant and shall be announced to the people.

CHAPTER XI

INDONESIA TOURISM INDUSTRY FEDERATION

Article 50

(1) To support development of competitive tourism business sector, a media called Indonesia Tourism Industry Federation shall be established.

(2) Members of Indonesia Tourism Industry Federation shall comprise:

- a. tourism businessmen;
- b. tourism business association;
- c. professionals association; and
- d. other association directly related to tourism.

(3) The Indonesia Tourism Industry Federation referred to in paragraph (1) shall function as working partner of the Government and Regional Government and as communication and consultation media for its members in carrying out development of tourism.

(4) The Indonesia Tourism Industry Federation is independent and non-profit in carrying out its activities.

(5) The Indonesia Tourism Industry Federation shall run activities, such as:

- a. decides and enforces Code of Ethics of the Indonesia Tourism Industry Federation;
- b. shares out aspiration and maintain harmony and interest of the members in its participation in the development in tourism sector;
- c. Improves relationship and cooperation between Indonesia tourism and overseas tourism businessmen in the interest of development of tourism;
- d. prevents unfair business competition in tourism; and
- e. establish business information centre and spread out the Government policy in tourism sector.

Article 51

Further provision on the type, membership, management structure, and activities of Indonesia Tourism Industry Federation as referred to in Article 50 shall be governed in Articles of Association and By-laws.

CHAPTER XII

TRAINING OF HUMAN RESOURCES, STANDARDIZATION, CERTIFICATION AND MANPOWER

Part One

Training of Human Resources

Article 52

The Government and Regional Government shall exercise training of tourism human resources in accordance with the provisions in the statutory regulation.

Part Two

Standardization and Certification

Article 53

- (1) Manpower in tourism sector shall have standard of competence.
- (2) The standard of competence referred to in paragraph (1) shall apply by means of competence certification.
- (3) Competence certification shall be implemented by professional certification institution that has obtained license in accordance with the provisions in the statutory regulation.

Article 54

- (1) All products, services and management of tourism business shall have business standard.
- (2) The business standard referred to in paragraph (1) shall be implemented through business certification.
- (3) The business certification referred to in paragraph (2) shall be implemented by authorized independent institution in accordance with the provisions in the statutory regulation.

Article 55

Further provision on competence certification referred to in Article 53 and business certification referred to in Article 54 shall be governed in Government Regulation.

Part Three

Foreign Experts

Article 56

- (1) Tourism businessman may employ foreign experts in accordance with the provisions in the statutory regulation.
- (2) The foreign experts referred to paragraph (1) shall have prior recommendation from tourism professional workers association organization.

CHAPTER XIII

FUNDING

Article 57

Tourism funding shall constitute joint responsibility of the Government, Regional Government, businessmen and the people.

Article 58

Management of fund for tourism shall be based on the principles of just, transparent and accountability to public.

Article 59

Regional Government shall allocate a portion of the revenue obtained from tourism for natural and cultural preservation.

Article 60

The funding by businessmen and/or the people in the development of tourism in small islands shall be granted incentive and shall be governed in Presidential Decree.

Article 61

Article 61

The Government and Regional Government shall give opportunity to micro and small businesses in tourism sector.

CHAPTER XIV

ADMINISTRATIVE PENALTY

Article 62

(1) Any tourist that fails to comply with the provision referred to in Article 25 shall be charged penalty in the form of verbal reminder followed by notification on all matters that must be complied with.

(2) After the tourist has been given the reminder as referred to in paragraph (1) but the tourist still ignore it, he/she shall be expelled from the location where he/she commits such ignorance.

Article 63

(1) Any tourist businessman that fails to comply with the provisions referred to in Article 15 and/or Article 26 shall be charged administrative penalty.

(2) the administrative penalty referred to in paragraph (1) shall be in the form of:

- a. written reminder;
- b. restriction of business activities; and
- c. temporary freezing of business activities.

(3) The written reminder referred to in paragraph (2) letter a, shall be delivered on the businessman three (3) at maximum.

(4) Penalty in the form of restriction to business activities shall be charged on businessman that fails to comply with the reminder referred to in paragraph (3).

(5) The penalty in the form temporary freezing of business activities shall be charged on businessman that fails to comply with provisions in the statutory regulation in paragraphs (3) and (4).

CHAPTER XV

CRIMINAL PROVISION

Article 64

(1) Any person intentionally violating the law by damaging tourism power of attraction referred to in Article 27 shall be criminally imprisoned for seven (7) years maximum and maximum fine of Rp10.000.000.000,00 (ten billion Rupiahs).

(2) Any person violating the law due to ignorance, damaging the physical or minimizing tourism power of attraction referred to in Article 27 shall be criminally imprisoned for maximum one (1) year and/or maximum Rp5.000.000.000,00 (five billion Rupiahs).

CHAPTER XVI

TRANSITIONAL PROVISION PERALIHAN

Article 65

The Indonesia Tourism Promotion Agency referred to in Article 36 paragraph (1) shall be established within two (2) years as of the date this Law is enacted.

Article 66

(1) Establishment of Indonesia Tourism Industry Federation referred to in Article 50 shall be initially facilitated by the Government.

(2) The Indonesian Tourism Industry Federation referred to in paragraph (1) should have been established within two (2) years at the latest as of the date this Law is enacted.

CHAPTER XVII

CLOSING PROVISION

Article 67

Implementing regulation of this Law should have been stipulated within two (2) years as of the date this Law is enacted.

Article 68

By the time this Law comes to force, Law No. 9 Year 1990 concerning Tourism (Statute Book of the Republic of Indonesia Year 1990 No. 78, Supplement to Statute Book of the Republic of Indonesia No.3427) shall be revoked and declared null and void.

Article 69

By the time this Law comes to force all statutory regulations that constitute implementation regulation of Law No.9 Year 1990 concerning Tourism (SB of RI Year 1990 No. 78, SSB of RI Year 1990 No. 3427), shall be declared

survives to the extent that they do not contravene the provisions in this Law. This Law shall come to force on the date it is enacted.

For public cognizance, this Law shall be announced and placing it in the State Gazette of the State of the Republic of Indonesia.

Ratified in Jakarta

On January 16, 2009

PRESIDENT OF THE REPUBLIC OF INDONESIA,

sgd.

DR. H. SUSILO BAMBANG YUDHOYONO

Enacted in Jakarta

On January 16, 2009

MINISTER OF LAW AND HUMAN RIGHTS

OF THE REPUBLIC OF INDONESIA,

sgd.

ANDI MATTALATTA

STATUTE BOOK OF THE STATE OF

THE REPUBLIC OF INDONESIA

YEAR 2009 NUMBER 11

ELUCIDATION.....

(To be continued)

—==(MA)==—

TOURISM

(Law of RI No. 10 Year 2009, dated January 16, 2009)

[Continued from Business News No. 7834 pages 25A-32A]

ELUCIDATION
OF
LAW OF THE REPUBLIC OF INDONESIA
NUMBER 10 YEAR 2009
CONCERNING
TOURISM

I. GENERAL

The One and Only God has awarded the Indonesian nation priceless Asset in the form of strategic geographical location, diversity in languages and ethnics of nation, natural structure, flora and fauna, ancient inheritance, arts, and culture that constitute resources and assets for improvement of the welfare of the Indonesian people as stated in the Pancasila and as aimed in the 1945 Constitution of the Republic of Indonesia

Such resources and assets must be utilized to maximum by means of tourism with the objective to increase national revenue, extend and give equal opportunity to run business and work opportunity, motivate development of the region, introduce and make efficient use of tourism power of attraction and place of destination in Indonesia, and foster the feeling of love towards the motherland and interweave amity inter-nations

The tendency in the development of tourism business from year to year indicates very rapid growth. This is caused, among other things, by the change in the structure in the country's social economy worldwide and the people are receiving better revenue. Besides, tourism is

developing into global phenomena, is becoming basic need, and becoming part of the human rights that must be honored and protected. The Government and Regional Government, tourism business sphere, and the people are obliged to be able to guarantee that taking part in tourism is part of every person's right to uphold, so as to support achievement in improvement of human dignity and prestige, improvement of welfare, and amity inter-nations in the context of accomplishing world peace.

In encountering global change and in order to strengthen people personal right to enjoy their free time in tourism, it is necessary to develop tourism that is supported by diversity, uniqueness, and exclusivity of the nation by keep maintaining the authentic oneness in diversity as the frame of the State of the Republic of Indonesia.

Furthermore, development of tourism must keep observing the total number of population. The total number of population shall constitute one of the prime assets in the development of tourism at present and in the future due to having double function, other than asset as human resource, it also function as potential source of the archipelago tourism.

As such, development of tourism may constitute as facilities to create awareness of national identity and togetherness in diversity. Tourism is developed by means of approaches and impartial economy for the welfare of the people and development by orientation

to the people and make efficient use of the people covering various aspects, such as human resource, marketing, destination, knowledge and technology, cross sectors connection, iner-countries cooperation, make efficient use of small businesses, and responsibility in utilization of natural assets and culture.

In its implementation, the development of tourism referred to in Law No.9 Year 1990, concerning Tourism still focuses on tourism business. Therefore, as one of the requirements to create favorable atmosphere in the development of entirety of tourism in the context of fulfilling the era's demand as the result of strategic environment, both externally and internally, it is necessary to amend Law No.9 Year 1990 by a new law.

The material goveraed in this Law shall cover, among other things, the rights and obligations of the community, the tourists, business player, the Government and Regional Government, the development of comprehensive and uninterrupted tourism, coordination in cross-sectors, organizing strategic zone, empowerment of micro, small and medium businesses within and surrounding the place of tourism destination, tourism promotion agency, and empowerment of tourism workers by means of training human resources.

II. ARTICLE BY ARTICLE

Articles 1 through 4

Self-explanatory.

Article 5

Letter a through c

Self-explanatory.

Letter d

What is meant by "living environment" shall be space unit covering all items, resources, conditions, and living creatures, including human being and behaviour thereof that affect life span and human welfare and other living creatures.

Letter e

What is meant by "local people" shall be the people living around the place of tourism destination and given the priority to get the benefit from the operation of tourism activities in such location.

Letter f

Self-explanatory.

Letter g

What is meant by "code of ethics in world toruism and international agreement" shall be code of ethics and international agreement in carrying out tourism as ratified.

Letter h

Self-explanatory.

Article 6

Self-explanatory.

Article 7

Letter a

What is meant in this provision by development of tourism industry, shall, among other things, structural development (function, hierarchy, and relationship) of tourism industry, tourism product competitive power, tourism business partnership, business credibility, and responsibility toward natural environment and social culture.

Letter b

What is meant in this provision by development of tourism place of destination, shall among other things, empowerment of the community, development of tourist power of attraction, development of infrastructure, provision of public integrated and permanent facilities.

Letter c

What is meant in this provision by development of marketing, shall, among other things, marketing of tourism jointly, integrately and continuously by involving all stakeholders and marketing that is responsible in building image of Indonesia as the tourism place of destination with competitive power.

Letter d

What is meant in this provision by development of tourism institution shall, among other things, development of organization of the Government, Regional Government, private, and the community, development of human resource, regulation, and operational mechanism in tourism sector.

Article 8

Self-explanatory.

Article 9

Paragraphs (1) through (3)

Self-explanatory.

Paragraph (4)

What is meant by "stakeholders" shall be the Government, Regional Government, business circle, and the people.

Paragraph (5)

Self-explanatory.

Article 10

What is meant in this provision by motivate domestic capital investment and foreign capital investment by means of, among other things, provision of fiscal and non-fiscal incentive, facilities, capital investment promotion, and provision of information on opportunity for capital investment.

Articles 11 and 12

Self-explanatory.

Article 13

Paragraphs (1) through (3)

Self-explanatory.

Paragraph (4)

Strategic zone with exclusive area shall become exclusive tourism zone and shall be stipulated in the law.

Article 14

Paragraph (1)

Letter a

What is meant by "tourist power of attraction business" shall be business which activities are to manage natural tourism power of attraction, cultural tourist power of attraction, and man-made/man-managed tourist power of attraction.

Letter b

What is meant by "tourism zone business" shall be business which activities are to develop and/or manage particular extend of zone for fulfillment of the need for tourism.

Letter c

What is meant by "tourism business transportation business" shall be business specially providing transportation as needed and tourism activities, but not constituting regular/public transportation.

Letter d

What is meant by "tourism travel service business" shall be tourism travel business and tourism travel agency business.

Tourism travel business shall cover provision of travel planning service and/or service and tourism implementation, including implementation of religious travel.

Tourism travel agency business shall cover ordering service for facilities, such as ordering ticket and accommodation and processing travel document.

Letter e

What is meant by "food and beverage service business" shall be business for provision of food and beverage complete with kitchen utensils for preparation process that may be in form of restaurant, café, catering, and bar/beverage shop.

Letter f

What is meant by "accommodation provision business" shall be business that provides accommodation complete with other other tourism service.

Accommodation provision business may be in the form of hotel, villa, tourist lodge, camping ground, caravan stop over, and other accommodation used for the purpose of tourism.

Letter g

What is meant by "holiday and recreation implementation business" shall be business which scope of activities is show of arts, playing ground, karaoke, theatre, and other entertainment and recreation activities meant for tourism.

Letter h

What is meant by "organizing meeting, travel with incentive, conference, and exhibition business" shall be business that provides services in organizing meeting for a group of persons, organizing travel for business employees and business partners as compensation for their performance, and organizing exhibition in the context of distributing information and promoting some goods and services with national, regional and international scale.

Letter i

What is meant by "tourism information service business" shall be business that provides data, news, feature, photos, video, and results of researches on tourism distributed in the form of printed material and/or electronic material.

Letter j

What is meant by "tourism consultancy service business" shall be business that provides facilities and recommendation on feasibility study, planning, business management, research, and marketing in tourism sector.

Letter k

What is meant by "tourism service business" shall be business that provides and/or coordinates tourism guide to fulfill the need for tourism and/or the need for tourism.

Letter l

What is meant by "water tourism business" shall be business that carries out water sport tourism, including provision of facilities and infrastructure as well as other services managed commercially in sea water, coastal area, river, lake and reservoir.

Letter m

What is meant by "spa business" shall be business for treatment with combination of water therapy, aroma therapy, massage using herbs, healthy food/beverage service and physical activity process with the objective for balancing the spirit and body with due observance of the tradition and culture of the Indonesian nation.

Paragraph (2)

Self-explanatory.

Article 15

Paragraph (1)

Self-explanatory.

Paragraph (2)

Procedure for registration governed in Regulation of the Minister shall be technically and administratively that comply with the principle in implementing transparent public service covering among other things, procedure for simple service, technical requirements, and simple administration, speedy process, service for easy to reach location, clear service standard, and transparent service information.

Implementation of public service shall be accountable, either to public or to supervisor/management of Governmental agency service unit.

Article 16

Self-explanatory.

Article 17

Letter a

What is meant by "policy on tourism business reservation" shall be providing protection and opportunity to run micro, small, medium businesses and cooperatives in accordance with the provisions in the statutory regulation.

Letter b

Self-explanatory.

Article 18

What is meant by "manage" shall be planning, organizing, and control of matters on tourism.

Article 19

Paragraph (1)

Self-explanatory.

Paragraph (2)

Letter a

Self-explanatory.

Letter b

What is meant by "consignment" shall be the right of every person or the people to place commodity for sale through tourism business which payment may be made at a later date.

Letter c

What is meant by "management" shall be the right of every person or the people to undertake resources that he/she has to support the tourism business activities, such

as provision of transportation surrounding the tourism place of destination to support mobility of the tourists.

Article 20

Letter a

Self-explanatory.

Letter b

What is meant by "standard-based tourism services" shall be services provided to tourists based on business qualification standard and standard of competence of human resources

Letters c through f

Self-explanatory.

Articles 21 through 25

Self-explanatory.

Article 26

Letters a through d

Self-explanatory.

Letter e

What is meant by "high-risk activity tourism business" shall cover among other things, diving, rapids crossing, cliff climbing, jet coaster game, and visit to specific tourism object, such as viewing wild animals in the wilderness..

Letters f through n

Self-explanatory.

Article 27

Paragraph (1)

Self-explanatory.

Paragraph (2)

What is meant by "specific species" shall be group of protected flora and fauna.

What is meant by "uniqueness" shall be any condition or matter that has exclusiveness/uniqueness constituting the target or objective of the tourists visit, such as temple relief, statute, and traditional house.

What is meant by "authentic value" shall be authentic value that is the target and objective of tourists visit, such as cultural preserved property.

Articles 28 through 32

Self-explanatory.

Article 33

Paragraph (1)

Self-explanatory.

Paragraph (2)

Letter a

The provision on strategic coordination in customs service is administered with the government agency that administers custom and excise matters to facilitate incoming and outgoing goods for various tourism activities necessity, such as for meetings, travelling with incentive, conference, and exhibition for promotion of international tourism, and for other international tourism.

The provision on strategic coordination in immigration service is administered by the government agency that processes immigration matters for facilities below:

- a. provision of short visit visa (BVKS) or free visa and visitor's visa (VKSK) or visa on arrival (VOA); and
- b. provision of visa to participants of meeting, travelling incentive, conference, and exhibition from overseas that obtained BVKS and VKSK facilities.

The provision on strategic coordination on quarantine service is carried out by government agency that administers quarantine and health matters based on clear and explicit procedure for:

- a. import and export of animals and plants related to tourism/meeting, travelling with incentive, conference, and exhibition; and
- b. Import and export of material/goods for tourism necessity.

Letter b

The provision on strategic coordination on security and order is administered by government agency in domestic administration, the Police of the Republic of Indonesia, and the Indonesian National Army on:

- a. the policy and security services within the national and regional tourism vital object;
- b. stipulation of standard of security and order and supervision of tourists visit from arrival, during travelling, and up to departure; and
- c. provision of information on the condition of tourism place of destination that is favorable and safe to be visited by giving early warning on the presence of disaster.

Letter c

The provision on strategic coordination in public infrastructure is administered with the government agency on its availability and maintenance:

- a. roads infrastructure heading to and within the place of destination of tourism;
- b. clean water for public facilities and tourism facilities at the place of tourism destination;
- c. electricity for public facilities and tourism facilities at the place of tourism destination;
- d. telecommunication public facilities and tourism facilities at the place of tourism destination, and
- e. drainage system for waste water, waste, and sanitation.

Letter d

The provision on strategic coordination on land, sea and air transportation is administered by government agency in communication sector in the event of:

- a. increasing lines and frequencies of foreign flight companies and national companies from the main source of various countries tourists market.
- b. improved quality of airport facilities, bus terminal, railway station, and sea port that comply with International Ship and Port Security Code (ISPS Code);
- c. more convenience in transportation facilities;
- d. integrated mode of transportation;

- e. availability of pioneering transportation service; and
- f. availability of travelling signs/guidance heading the tourism power of attraction and place of tourism destination.

Letter e

The provision on strategic coordination in tourism promotion sector is administered by government agency that handles overseas matters, industry, trade, capital investment, and regional government in promoting integration on tourism, trade, industry, and capital investment and joint capital investment and joint promotion in tourism by involving regional government, flight companies and tourism business.

Articles 34 through 36

Self-explanatory.

Article 37

What is meant by "policy determining element" shall be determining factor that formulates and decides the policy on implementation of Indonesia Tourism Promoting Agency.

What is meant by "operating element" shall be policy operator that runs operational duty of Indonesia Tourism Promoting Agency.

Articles 38 through 54

Self-explanatory.

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Article 55

Certificate of competence shall be granted by professional Certification Institution that has obtained license from the National Professional Certification Agency. The Certificate shall be awarded after have passed the examination for competence exercised based on standard of competence compiled jointly by the government agency on tourism, tourism association, entrepreneurs and academics.

Article 56

Paragraph (1)

The provision on foreign experts in tourism shall be needed to the extent that his/her expertism may not be fulfilled yet or no Indonesian manpower is available yet so long it does not conflict with international agreement.

Paragraph (2)

Self-explanatory.

Articles 57 through 70

Self-explanatory.

SUPPLEMENT TO STATUTE BOOK OF THE STATE OF THE REPUBLIC OF INDONESIA NUMBER 4966

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