

REGULATION ON TOURISM

I. Main Legislation

Basic legislation in tourism sector is Law number 10 of 2009 on Tourism (**the “Tourism Law”**). Certain provisions of the Tourism Law have recently been amended and deleted by Law number 11 of 2020 on Job Creation or also known as **“Omnibus Law”** which came into force on 2 November 2020. Please note that following the enactment of Tourism Law in 2009, the Government of Republic of Indonesia has issued further regulations to implement the Tourism Law in the form of government regulations to ministerial regulations.

To give more insight, this chapter provides general information on tourism based on the Tourism Law and Omnibus Law.

II. Definition

- Tourism shall mean various types of tour activities which are supported by many facilities and services provided by the communities, businessmen, government, and regional governments.
- Tourism Business Actor shall mean a person or a group of people which engages in tourism business activities.

III. Tourism Business

- Tourism businesses shall cover, among others:
 - a. tourists attractiveness;
 - b. tourism areas;
 - c. tour transportation services;
 - d. tour travel services;
 - e. food and beverage services;
 - f. accommodation services;
 - g. entertainment and recreation activities administration;
 - h. meeting, incentive travel, conference and exhibition organization;
 - i. tourism information services;
 - j. tourism consultant services;
 - k. guide services;
 - l. water tourism; and
 - m. spa.
- Other tourism businesses other than those provided above shall be regulated in a government regulation.

IV. Business Licensing

- To carry out tourism businesses, business actors must comply with a business licensing from central government or regional government. In granting business licensing, a regional government shall refer to norm, standard, procedure and criteria determined by central government.
- Further requirements on business licensing shall be regulated in a government regulation.

V. Obligations of Tourism Business Actors

Each of tourism business actors shall oblige to:

- maintain and respect the religion, custom, cultural, and values norms in the local community;
- provide accurate and accountable information;
- provide non-discrimination services;
- provide comfort, hospitality, security protection, and safety for the tourists;
- provide insurance coverage toward the tourism business with the high-risk activities;
- develop partnership with the micro, small scale business and local cooperatives, requiring, strengthening, and benefiting to each other;
- prioritize the use of local products, domestic products, and to provide the opportunity to the local manpower;
- increase manpower competency through training and education;
- take part actively in the infrastructure development and community's development program;
- participate in preventing all types of actions which breach the norm and illegal activities in its working environment;
- maintain healthy, clean, and beautiful environment;
- maintain natural and cultural environment preservation;
- maintain the Indonesian nation and state image through the accountable tourism activities; and
- comply with business licensing from central government.

VI. Restrictions

Each person is prohibited from damaging a part or the entire physical tourism attractiveness. Damaging the physical tourism attractiveness means an action to change the colours, change the shapes, eliminate certain species, pollute the environment, move, take, destroy, or annihilate the tourism attractiveness causing the decrease in or loss of uniqueness, beauty, and authentic value of a tourism attractiveness which have already been stipulated by the government and/or regional government.

VII. Standardization and Certification

- A person who works in tourism sector shall meet competence standard through competence certification. A competence certification shall be carried out by a licensed professional certification institution.
- Products, services and management of tourism businesses shall have a business standard. The business standard shall be carried out by fulfilling the provisions provided in the business licensing.
- Further provisions on the business standard and competence certification will be stipulated in the government regulation(s).
- Obligation to obtain recommendation from the tourism professional association organization for expatriate hired in the tourism sector is no longer valid.

VIII. Sanctions

- Failure to comply with the business licensing provided in point IV and its obligations mentioned in point V above, a business actor shall be subject to administrative sanctions which are in the form of written warning(s); business activities' limitation; and temporary freezing of business activity.
- Omnibus Law deletes clauses which relate to criminal sanctions.

Yuliani Yoga, Managing Partner

+62 815 8875 021 

yuliani.yoga@ylc-law.com 



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Yoga Partnership Legal Consultant

The Vida Building, 3A Floor, Unit 4
Jl. Raya Perjuangan No. 08
Kebon Jeruk – DKI Jakarta
Phone: + 62 21 2966 1375
Email: info@ylc-law.com

 **YOGA PARTNERSHIP**
www.ylc-law.com