



How to Establish International Non-Government Organization

Whereas the freedom to form a union, gather, and voice opinion are part of human rights in the nationhood and statehood in the Republic of Indonesia and is guaranteed by the 1945 Constitution of the Republic Indonesia. In carrying out the rights and freedoms to form a union, gather and voice opinion everyone must respect the human rights and freedom of others in the context of the rule of law, also in creating justice in the community hood, nationhood and statehood.

International Non-Government Organization in Indonesia are currently governed by Law 17 Year 2013 ("Law 17/13") regarding Civil Society Organizations as last amended with Government Regulation In Lieu of Law of The Republic of Indonesia Number 2 Year 2017 concerning amendment to Law Number 17 Year 2013 concerning Civil Society Organization ("Law No. 2/2017") as well Minister of Foreign Affair ("MoFA") registration guidelines. Hereinafter, for ease of reference Civil Society Organizations is referred as an NGO.

Based on Law 37-year 1999 regarding Foreign Relation and Law 17/13, the Department of Foreign Affairs is the main gateway to the establishment of International Non-Governmental Organizations (INGO) in Indonesia. Every INGO are obliged to obtain government permits, **namely a principle permit and an operational permit**. Operational permits can only be obtained after a principle permit has been granted. The principle permit is issued by the Ministry of Foreign Affairs based on the considerations of the Permit Issuance Team, which shall be established by the MoFA. The operational permit is issued by the Ministry of Home Affairs or the local government according to the level of work of the INGO only after the INGO signs a written agreement or an umbrella agreement ("Memorandum of Understanding/MoU") with the Indonesian government according to its scope of activities.

INGO intending to perform activities within the Indonesian territory must fulfill the minimum criteria below:

1. The organization was founded in a country that has diplomatic ties with Indonesia;
2. The organization does and will not perform any political activities in Indonesia;
3. The organization does and will not perform any activities related to religious proselytization or dissemination in Indonesia;
4. The organization does and will not perform any commercial activities aimed at garnering profit;
5. **The organization does and will not perform any fundraising activities in Indonesia.**

Furthermore, Every INGO conducting any activity in Indonesia must refrain from:

1. Any form of political involvement and/or activities that may instigate local unrest or national instability;
2. Any activity of spreading religious teachings;
3. Any profit-making or commercial activity;



4. Any activity for fund-raising purposes;

Therefore, based on the abovementioned minimum requirements, it means as INGO **cannot receive any donations or doing any fund-raising activities in Indonesia.**

Furthermore, “**non-profit**” is most important nature of Non-Government Organization (“**NGO**”) that must be considered by the foreign organization who intends implement their activity in Indonesia in the form of INGO. Please be noted that the determination either the organization constitutes profit or non-profit organization will be determined by the Deed of Establishment or Article of Association of an organization.

A. TYPES OF INGO

There are two types of INGOs in Indonesia, namely:

1. Pure INGO;

This INGO independently and sustainable have their own fund to doing nonprofit activities in Indonesia. Example: USAID they have their own fund, manage, and they try to distribute and allocation to nonprofit activities to help Indonesian people, mostly in health activities;

2. Implementing Agency;

This INGO has not had their own fund. Implementing agency doing activity to assist pure INGO in carrying out its activities.

B. ESTABLISHMENT AND REGISTRATION OF INGO

In applying for registration request, the INGO should submit the following documents:

1. Application letter expressing its wish to open a representative office in Indonesia, and disclosing documents attached therein;
2. Letter of Appointment of a Representative designated in Indonesia from INGO’s Headquarter;
3. Recommendation letter from Embassy of INGO’s home country located in Jakarta (confirming INGO legal establishment, mission and core activities in its home country);
4. Registration/Legal Establishment Certificate of INGO issued by the Government of INGO home country;
5. Articles of Association/Articles of Establishment/By laws of INGO;
6. Financial source(s) for recent 3 years and mechanism of the fund disbursement;
7. Future work plans and work programs in Indonesia;
8. Organization’s profile and other relevant information describing its nature;
9. List of previous/ongoing cooperation with the Government institutions in Indonesia, along with copies of any Agreement, or Memorandum of Understanding entered by the Government institutions and INGO in Indonesia, as well as list of local partners in Indonesia (if available).



Furthermore, as Indonesia's NGO, you should ensure that:

1. All programs or projects implementation are legally registered by the Government (Ministry of Home Affairs) and upon written consent of the Local Government where the programs or projects are implemented;
2. Indonesian citizens are employed for any possible positions;
3. Expatriates employed for at least one year **are limited up to 3 persons;**
4. **Expatriates are employed in compliance with prevailing rules and regulations in Indonesia on visas, limited stay permit and work permit;**
5. Principles of accountability and transparency are implemented in every project, including by ensuring budget proportion of 80% for project beneficiaries and 20% for operational cost;
6. Project activities and results (accomplishment and difficulties) are reported to the partner Ministry and other concerned Ministries or Government institutions; and
7. Cooperative access for the Government to any project for the purposes of project monitoring and evaluation.

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