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DRAFT LAW OF THE REPUBLIC OF INDONESIA  
NUMBER \_\_\_ OF \_\_\_  
REGARDING  
REGIONAL ADMINISTRATION  
THE HOUSE OF REPRESENTATIVES OF THE REPUBLIC OF INDONESIA  
DRAFT LAW OF THE REPUBLIC OF INDONESIA  
NUMBER \_\_\_ OF \_\_\_  
REGARDING  
THE REGIONAL ADMINISTRATION  
UNDER THE GRACE FROM GOD THE ALMIGHTY  
PRESIDENT OF THE REPUBLIC OF INDONESIA

#### **Considering:**

- a. That in respect to the running of regional administration as stipulated in 1945 Constitution of the Republic of Indonesia, the regional administration which is charge and takes care of own government affairs in correspond to the principles of autonomy and providing assistance, is directed to Speed up the public welfare through the improvement, services, empowerment, and the public role as well as improving the regional competitiveness in view of the principles of democracy, even distribution of wealth, justice, special characteristics and uniqueness of certain regions within the system of the Unitary State of the Republic of Indonesia.
- b. that the efficiency and effectiveness of running the regional administration must be improved in respect to the aspects linking inter-government structures and inter-regional governments, potentials and regional varieties, opportunities, challenges of global competition. This may be achieved by providing broad authorities to the regions along with giving the rights and obligations of administering the regional autonomy within a system unity of running the state administration;
- c. that Law Number 22 of 1999 regarding the Regional Administration does not conform with the developments, state system and demand for regional autonomy and must therefore be amended;
- d. that based on point a, point b, and point c, it is important to stipulate the Law on the Regional Administration.

#### **In view of:**

1. Article 1, Article 4, Article 5, Article 18, Article 18A, Article 18B, Article 20, Article 21, Article 22D, Article 23E paragraph (2), Article 24A paragraph (1), Article 31 paragraph (4), Article 33, and Article 34 of the 1945 Constitution of the Republic of Indonesia;
2. Law Number 28 of 1999 regarding the Running of Clean Governance free from Corruption, Collusion and Nepotism (State Gazette of the Republic of Indonesia of 1999 Number 75, Supplementary State Gazette of the Republic of Indonesia Number 3851);
3. Law Number 17 of 2003 regarding the State Finance (State Gazette of the Republic of Indonesia of 2003 Number 47, Supplementary State Gazette of the Republic of Indonesia Number 4286);
4. Law Number 22 of 2003 regarding the Structure of the People's Consultative Assembly, House of Representatives, Regional Representative Council, and Regional House of Representatives (State Gazette of the Republic of Indonesia of 2003 Number 92, Supplementary State Gazette of the Republic of Indonesia Number 4310);

5. Law Number 1 of 2004 regarding the State Treasury (State Gazette of the Republic of Indonesia of 2004 Number 5, Supplementary State Gazette of the Republic of Indonesia Number 4355);
6. Law Number 10 of 2004 regarding the Drafting of Laws and Regulations (State Gazette of the Republic of Indonesia of 2004 Number \_\_\_\_, Supplementary State Gazette of the Republic of Indonesia Number \_\_\_\_);
7. Law Number 15 of 2004 regarding the Audit of the State Finance Management and Accountability (State Gazette of the Republic of Indonesia of 2004 Number 66, Supplementary State Gazette of the Republic of Indonesia Number 4400);

**With the Joint Approval from  
THE HOUSE OF REPRESENTATIVES OF THE REPUBLIC OF INDONESIA  
And  
THE PRESIDENT OF THE REPUBLIC OF INDONESIA  
DECIDED:**

To Stipulate:

**LAW REGARDING THE REGIONAL ADMINISTRATION  
CHAPTER I  
GENERAL PROVISIONS**

**Article 1**

In this Law:

1. The central government, hereinafter referred to as the Government, shall refer to the President of the Republic of Indonesia who holds the government power of the Republic of Indonesia as referred to in the 1945 Constitution of the Republic of Indonesia.
2. Regional administration shall refer to the running of government affairs by the regional government and the Regional House of Representatives in correspond to the principles of autonomy and assistance under the principles of broad autonomy within the system and principles of the Unitary State of the Republic of Indonesia as contained in the 1945 Constitution of the Republic of Indonesia.
3. The Regional government shall refer to the Governor, District Head or Mayor, and the regional apparatus as the elements of running the regional administration.
4. The House of Regional Representatives hereinafter referred as DPRD shall refer to the regional parliament as the element of regional government.
5. The regional autonomy shall refer to the rights, authorities and obligations to regulate and take care of own government affairs, and the interests of the local communities according to the laws and regulations.
6. Regional autonomy, hereinafter referred to the region, shall refer to the legal community unit having the regional borders authorized to regulate and take care of government affairs and the interests of the local communities in correspond to their own initiatives based on the public aspirations within the system of the Unitary State of the Republic of Indonesia.
7. Decentralization shall refer to the delegation of government authority by the Government to the regional autonomy to regulate and take care of government affairs within the system of the Unitary State of the Republic of Indonesia.
8. De-concentration shall refer to the delegation of government authority by the Government to the Governor as the government representative and/or vertical instance in certain regions.
9. Assistance shall refer to the duties from the Government to the regions and/or villages from the provincial administration to the districts/cities and/or villages as well as district/city government to the villages to carry out certain duties.
10. The regional regulation, hereinafter referred to *Perda*, shall refer to the regional regulation of a province and/or regional regulations of districts/cities.

11. Regional head regulations shall refer to the regulations of the Governor and/or District/Mayor regulations.
12. Village or called by any other name, hereinafter referred to *desa*, shall refer to the legal community unit having regional borders authorized to regulate and take care of local community interests based on the local recommendations and customs; acknowledged and respected in the Government system of the Unitary State of the Republic of Indonesia.
13. Fiscal balance between the Government and the regional administration shall refer to a system of fiscal division which is fair, proportional, democratic, transparent and accountable in respect to funding decentralization, in view of the regional potentials, conditions and needs as well as the funding of de-concentration and assistance.
14. Regional budget, hereinafter referred to APBD, shall refer to the annual financial plan of regional administration stipulated with a regional regulation.
15. Regional income shall refer to the regional right acknowledged as the net wealth added-value in the said budget year period.
16. Regional budget shall refer to regional obligations acknowledged as the net wealth subtracted-value in the said budget year period.
17. Financing shall refer to any revenue that must be paid again and/or expenditure that will be received again, both during the said budget year and next budget years.
18. Regional loans shall refer to all transactions that make the regions receive amount of money or receive the fiscal benefits from the other parties so that the said regions are burdened with the obligations to repay.
19. Special zone shall refer to the regional part of a province and/or district/city as stipulated by the Government to run governmental functions that are special for the interest rate.
20. The pair candidates of regional heads and deputy regional heads, hereinafter to as the pair candidates shall refer to the prospective pair candidates who have met the prerequisites to be elected as regional heads and deputy regional heads.
21. The Regional General Election Commission, hereinafter referred to as KPUD shall refer to Provincial, District/City KPU as referred to as Law Number 12 of 2003 that is specially empowered by this Law to run the election of regional heads and deputy regional heads in each province and/or district/city.
22. The Sub-district Election Commission, Ballot Casting Committee and Ballot Casting Organization Group hereinafter referred to as PPK, PPS and KPPS respectively are responsible to perform ballot casting to elect regional heads and deputy regional heads at the sub-district level, village/village unit, and ballot casting booth.
23. The campaigns to elect regional heads and deputy regional heads, hereinafter referred to as the campaign aimed to convince the voters by offering the vision, mission and candidate pair program.

## **Article 2**

- (1) The Unitary State of the Republic of Indonesia is divided into provinces and a province is divided into districts and cities that respectively own regional administration.
- (2) The regional administration as referred to paragraph (1) regulates and takes care of government affairs in correspond to the principles of autonomy and assistance.
- (3) The regional administration as referred to in paragraph (2) shall administer broad autonomy, except for governmental affairs that become the Government's affairs intended to improve the public welfare, public services and regional competition.
- (4) The regional administration, in running the governmental affairs, owns relationship with the Government and with other regional governments.
- (5) The relationship as referred to in paragraph (4) covers shall concern the authority, fiscal, public service, utilization of natural resources, and other sources.
- (6) The relationship concerning fiscal, public service, utilization of natural resources, and other sources shall be take place fairly and harmoniously.

- (7) The relationship concerning fiscal, public service, utilization of natural resources, and other sources may incur inter-governmental structure's administrative and regional relationship.
- (8) The state acknowledges and respects special and extraordinary regional government units that are regulated under the laws.
- (9) The state acknowledges and respects the community units attached to the customary laws along their traditional titles as long as they remain alive in correspond to the community development and the principles of the Unitary State of the Republic of Indonesia.

### **Article 3**

- (1) The regional administration as referred to Article 2 paragraph (3) shall include:
  - a. Provincial administration comprising provincial regional government and provincial Regional House of Representatives (DPRD);
  - b. District/city administration comprising district regional government and district/city Regional House of Representatives (DPRD);
- (2) The regional administration as referred to paragraph (1) shall comprise regional head and regional apparatus.

## **CHAPTER II ESTABLISHING THE REGIONS AND SPECIAL ZONES**

### **Part One Establishing the Regions**

#### **Article 4**

- (1) The establishment of regions as referred to in Article 2 paragraph (1) shall be stipulated through the laws.
- (2) The laws on the establishment of regions as referred to in paragraph (1) among others regulate the naming, regional scope, borderlines, capital cities, authority to run government affairs, appointment of regional heads, formation of membership of DPRD, employee transfer, funding, tools, documents and regional apparatus.
- (3) The establishment of regions may comprise merging a number of regions or parts of the neighboring regions or expansion of a region into two or more regions.
- (4) The expansion of a region into 2 (two) regions or more as referred to in paragraph (3) may be carried out upon reaching a minimum age limit of running an administration.

#### **Article 5**

- (1) The establishment of regions as referred to in Article 4 must meet the regional administrative, technical and physical prerequisites.
- (2) The administrative prerequisite as referred to in paragraph (1) for the province covers the approval from district/city DPRD and District Head/Mayor that serves as the basis of the provincial regional scope, approval of main provincial DPRD and the Governor, as well as the recommendation from the Minister of Home Affairs.
- (3) The administrative prerequisite as referred to in paragraph (1) for district/city shall comprise the approval of district/city DPRD and the District Head/Mayor, approval from provincial DPRD and Governor as well as the recommendation from the Minister of Home Affairs.
- (4) The technical prerequisite as referred to in paragraph (1) shall include the economic capability factor, regional potential, socio-culture, socio-political, demography, size of the region, defense, security, and other factors that enable the regional autonomy to run.
- (5) The physical prerequisite as referred to in paragraph (1) shall comprise at least 5 (five) districts/cities to form a province, and at least 5 (five) sub-districts to form a district, and

4 (four) sub-districts to establish a city, prospective capital city location, administration means and facilities.

#### **Article 6**

- (1) The region may be eliminated or combined with another region if the said region is not able to run the regional autonomy.
- (2) The elimination or combination of autonomous regions may occur upon an evaluation process against the running of regional administration.
- (3) The evaluation guidelines as referred to in paragraph (2) are contained in the Government Regulations.

#### **Article 7**

- (1) The elimination or combination of a region as referred to Article 6 paragraph (2) and its all consequences shall be stipulated through a law.
- (2) The change of borderlines of a region, change of a region's name, naming a geographical location and its name change, or relocation of a capital city that will not result in the elimination of a region shall be stipulated with a Government Regulation.
- (3) The changes as referred to in paragraph (2) shall be effected upon a recommendation and consent from the said region.

#### **Article 8**

The procedure for the establishment, elimination and combination of a region as referred to in Article 4, Article 5, and Article 6 shall be regulated with a Government Regulation.

### **Part Two Special Territories Article 9**

- (1) To run a certain administration function which is special for the national interest, the Government may designate special territories within a province and/or district/city.
- (2) Certain government functions as referred to in paragraph (1) for free trade and/or free port shall be regulated with a law.
- (3) Certain government functions apart from those referred to in paragraph (2) shall be regulated with a Government Regulation.
- (4) To establish special territories as referred to in paragraph (2) and paragraph (3), the Government shall involve the regions concerned.
- (5) A region may propose the establishment of a special zone as referred to in paragraph (1) to the Government.
- (6) The procedure for designating special territories as referred to in paragraph (1), paragraph (2), in paragraph (3), in paragraph (4), and paragraph (5) shall be regulated with a Government Regulation.

### **CHAPTER III DIVIDING GOVERNMENTAL AFFAIRS Article 10**

- (1) The regional governments shall run the administration they are in charged of, except for government affairs which according to this Law, they are under the responsibility of the Government.

- (2) In running the government affairs which are under the regional administration as referred to in paragraph (1), the regional administration shall run the autonomy in the broadest sense as to regulate and take care of own government affairs based on the principles of autonomy and assistance.
- (3) The government affairs that shall be taken care of by the Central Government as referred to in paragraph (1) are matters related to:
  - a. Foreign policies;
  - b. Defense;
  - c. Security;
  - d. Judicial;
  - e. National monetary and fiscal; and
  - f. Religious.
- (4) In running the government affairs as referred to in paragraph (3), the Government shall administer the government affairs by itself or delegate parts of them to the Government apparatus or Government representatives in the regions or may assign the regional administration and/or village administration.
- (5) In running the government affairs that become the Government's authority outside the government affairs as referred to paragraph (3), the Government may:
  - a. Administer by itself part of the government affairs;
  - b. Delegate part of government affairs to the Governor as the Government representative; or
  - c. Delegate part of the affairs to the regional administration and/or village administration based on the principles of assuming assistance.

#### **Article 11**

- (1) The running of government affairs shall be divided according to criteria of externality, accountability, and efficiency in view of the harmonious relationship of inter-government structure.
- (2) The running of government affairs as referred to paragraph (1) shall constitute the execution of authority relationship between the Government and the regional administration of a province, district, and city or inter-regional governments that are interrelated, inter-dependable, and synergic as a government system.
- (3) The government affairs that become the regional administration authority run based on the criteria as referred to paragraph (1) shall comprise mandatory affairs and selected affairs.
- (4) The running of mandatory government affairs that are based on the minimum standard of service shall be administered in stages and stipulated by the Government.

#### **Article 12**

- (1) The government affairs delegated to the regions shall be accompanied with the funding sources, transfer of means and facilities, and employees in correspond to the matters decentralized.
- (2) The government affairs delegated to the Governors shall be accompanied with the funding in correspond to the matters decentralized.

#### **Article 13**

- (1) The mandatory affairs under the authority of the regional government of a province shall be the affairs within the province scale comprising:
  - a. Development planning and control;
  - b. Planning, utilization, and supervision of zoning;
  - c. Administering public order and peace;
  - d. Providing public means and facilities;

- e. Handling of health sector;
  - f. Administering education and allocation of potential human resource;
  - g. Handling of social issues of inter districts/cities;
  - h. Serving manpower sector of inter districts/cities;
  - i. Facilitating the development of cooperatives, small and medium businesses including inter districts/cities;
  - j. Environmental control;
  - k. Agrarian services including inter districts/cities;
  - l. Demography and civil registry;
  - m. Serving government administration affairs;
  - n. Serving capital investment administration including inter districts/cities;
  - o. Running other basic services that have not been carried out by the districts/cities; and
  - p. Other mandatory affairs as instructed by the laws and regulations.
- (2) Government affairs of a province that are optional include government affairs that are factually and potential to improve the public welfare in correspond to the condition, uniqueness and superiority potential of the regions concerned.

#### **Article 14**

- (1) The mandatory affairs that fall under the regional administration's authority for the districts/cities are the ones with the district/city scale comprising:
- a. Development planning and supervision;
  - b. Planning, utilization, and supervision of zoning;
  - c. Administering public order and peace;
  - d. Providing public means and facilities;
  - e. Handling of health sector;
  - f. Administering education;
  - g. Handling of social issues;
  - h. Serving manpower sector;
  - i. Facilitating the development of cooperatives, small and medium businesses;
  - j. Environmental control;
  - k. Agrarian services;
  - l. Demography and civil registry;
  - m. Serving government administration affairs;
  - n. Serving capital investment administration;
  - o. Providing other basic services; and
  - p. Other mandatory affairs as instructed by the laws and regulations.
- (3) Government affairs of a district/city that are optional include government affairs that factually exist and are potential to improve the public welfare in correspond to the condition, uniqueness, and potential of the region concerned.
- (4) The execution of the provisions as contained in Article 10, Article 11, Article 12, Article 13 and Article 14 paragraph (1) and paragraph (2) shall be further regulated with a Government Regulation.

#### **Article 15**

- (1) The relationship in the financial sector between the Central Government and the regional administration as referred to Article 2 paragraph (4) and paragraph (5) includes:
- a. Granting of financial sources to run government affairs that are under the regional governments;
  - b. Allocating balanced fund to the regional governments; and
  - c. Disbursing loans and/or grants to the regional governments.
- (2) The relationship in the regional inter-government as referred to Article 2 paragraph (4) and paragraph (5) shall include:

- a. For tax and non-tax yield between a regional government of a province and regional government of a district/city;
  - b. The funding of government affairs that become the joint responsibilities;
  - c. Joint funding over inter-regional cooperation; and
  - d. Inter-regional government borrowing/grant.
- (3) The relationship in the financial sector as referred to paragraph (1) and paragraph (2) are regulated with the laws and regulations.

#### **Article 16**

- (1) The relationship in the public service between the Central Government and regional administration as referred to in Article 2 paragraph (4) and paragraph (5) shall include:
- a. Authority, responsibility, and determination of minimum standard of service;
  - b. Fund allocation of public service that become the regional authority; and
  - c. Facilitate the execution of inter-regional governments in providing public service.
- (2) The relationship in the public service inter-regional administration as referred to in Article 2 paragraph (4) and paragraph (5) shall include:
- a. Execution of public service that has become the regional authority;
  - b. Inter-regional government cooperation to provide public services; and
  - c. Management of joint licenses in the public service.
- (3) The relationship in the public as referred to in paragraph (1) and paragraph (2) shall be provided in laws and regulations.

#### **Article 17**

- (1) The relationship in utilization of natural resource and other sources between the Central Government and the regional administration as referred to in Article 2 paragraph (4) and paragraph (5) shall include:
- a. Authority, responsibility, utilization, maintenance, control of impact, and conservation;
  - b. Profit sharing over the utilization of natural sources and other sources; and
  - c. Management of joint licenses for public service.
  - d. The relationship in utilization of natural resource and other sources inter-regional governments as referred to in Article 2 paragraph (4) and paragraph (5) shall include:
    - a. Execution of the utilization of natural sources and other sources that become the regional authority;
    - b. Cooperation and profit sharing over the utilization of natural resources and other sources inter-regional governments; and
    - c. Management of joint licenses to utilize natural resources and other sources.
- (2) The relationship in the utilization of natural resource and other sources as referred to in paragraph (1) and paragraph (2) shall be provided in the laws and regulations.

#### **Article 18**

- (1) The regions that have sea territory are given the authority to manage sources in the sea territory.
- (2) The regions are entitled to profit sharing over the natural source management beneath the seabed and/or on the seabed according to the laws and regulations.
- (3) The regional authority to manage resources in the sea territory as referred to paragraph (1) shall include:
- a. Exploration, exploitation, conservation and management of sea wealth;
  - b. Administrative regulation;
  - c. Zoning regulation;



- d. Law enforcement of the regulations issued by the regions or delegated by the Government;
  - e. Participate in the maintenance of security; and
  - f. Participate in defending the state sovereignty;
- (4) The authority to manage the sources in the sea territory as referred to in paragraph (3) shall be up to 12 (twelve) nautical miles from the coastal line towards the open sea and/or to the island water for the provinces and 1/3 (one third) of the provincial authority region for districts/cities.
- (5) If the sea territory between 2 (two) provinces is less than 24 (twenty four) miles, the authority to manage sources in the sea territory will be equally divided or measured in correspond to the principles of diameter of the region between those 2 (two) provinces, and for a district/city, it acquires 1/3 (one third) of the region under the authority of such province.
- (6) The provisions as referred to paragraph (4) and paragraph (5) do not apply to fish catching by economically weak fishermen.
- (7) The execution of the provisions as referred to paragraph (1), paragraph (3), paragraph (4), paragraph (5), and paragraph (5) shall be further regulated through laws and regulations.

**CHAPTER IV**  
**GOVERNMENT ADMINISTRATION**  
**Part One**  
**Government Administration**  
**Article 19**

- (1) The central government is run by the President assisted by 1 (one) vice president, and by state ministers.
- (2) The regional government is run by the regional administration and the DPRD.

**Part Two**  
**The Principles of Government Administration**  
**Article 20**

- (1) The government administration is run based on the General Principles of State Administration comprising:
- a. The legal certainty principle;
  - b. The state administration order principle;
  - c. The public interest principle;
  - d. The transparency principle;
  - e. The proportionality principle;
  - f. The professionalism principle;
  - g. The accountability principle;
  - h. The efficiency principle; and
  - i. The effectiveness principle
- (2) In running the administration, the Central Government shall apply the principle of decentralization, assuming assistance, and de-concentration according to the laws and regulations.
- (3) In running the regional administration, the regional government shall apply the principle of autonomy and, assuming assistance.

**Part Three**  
**Regional Rights and Obligations**  
**Article 21**

In running the autonomy, the regions are entitled to:

- a. Regulate and take care of own government affairs;
- b. Elect the regional heads;
- c. Manage the regional apparatus;
- d. Manage the regional assets;
- e. Levy regional taxes and regional retributions;
- f. Profit sharing from the management of natural resources and other sources existing in the regions;
- g. Other legitimate sources of revenues; and
- h. Other rights as provided in a laws and regulations.

## **Article 22**

In running the autonomy, the regions must:

- a. Protect the communities, maintain national unity, integrity and harmony, as well as the ensure that the Unitary State of the Republic of Indonesia will remain intact;
- b. Improve the quality of the public life;
- c. Promote democracy;
- d. Ensure justice and equal distribution of wealth;
- e. Improve the basic educational services;
- f. Provide health service facilities;
- g. Provide appropriate social and public facilities;
- h. Develop the social security system;
- i. Develop productive sources in the regions;
- j. Conserve the environment;
- k. Manage demographic administration;
- l. Preserve the socio-cultural values;
- m. Draft and execute laws and regulations in correspond to their respective authorities;
- n. Other obligations provided in a laws and regulations.

## **Article 23**

- (1) The regional rights and obligations as referred to Article 21 and Article 22 shall be materialized in the form of regional administration action plans and detailed in the regional revenues and expenditures managed in the regional finance management system.
- (2) The regional finance management as referred to in paragraph (1) shall be carried out in efficient, effective, transparent, accountable, orderly, fair, appropriate manner and in compliance to the laws and regulations.

## **Part Four**

### **Regional Administration**

#### **Section One**

#### **Regional Head and Deputy Regional Head**

### **Article 24**

- (1) Each region is led by a regional government head called the regional head.
- (2) The regional head as referred to in paragraph (1) for a province is a Governor, while for a district is a district head [*bupati*], and for a city is a mayor [*walikota*]
- (3) The regional head as referred to in paragraph (1) shall be assisted by a deputy regional head.
- (4) The deputy regional head as referred to in paragraph (3) for a province is a Deputy Governor, while for a district is a deputy district head [*wakil bupati*], and for a city is a deputy mayor [*wakil walikota*].
- (5) The regional heads and deputy regional heads as referred to in paragraph (2) and paragraph (3) shall be directly elected as a pair by the people of the respective regions.

**Section Two**  
**Duties, Authorities and Obligations of Regional Heads and Deputy Regional Heads**  
**Article 25**

The regional heads have the following duties and authorities:

- a. Lead the regional government administration based on the policies stipulated together with DPRD;
- b. Submit draft Regional Regulations;
- c. Determine the Regional Regulations as jointly approved by DPRD;
- d. Prepare and submit draft Regional Regulations concerning the Regional Budget to DPRD to be jointly discussed and stipulated;
- e. Ensure that the regional obligations are met;
- f. Represent their respective regions inside and outside the court, and may appoint their legal proxies to represent them according to the laws and regulations; and
- g. Carry out other duties and authorities according to the laws and regulations.

**Article 26**

- (1) The deputy regional heads have the following duties:
  - a. Assist the regional heads in administering the regional governments;
  - b. Assist the regional heads in coordinating the activities of vertical institutions in the regions, following up reports and/or findings by the supervision apparatus, ensure women and youth empowerment, and ensure the enhancement and preservation of the local cultures and the environment;
  - c. Monitor and evaluate the administration of district and city governments for the deputy regional heads of a province.
  - d. Monitor and evaluate the administration of a sub-district, village and/or village unit for the deputy regional head of a district/city;
  - e. Provide advices and opinions to the regional heads in running the regional administration activities;
  - f. Carry out other government duties and obligations as delegated by the regional head; and
  - g. Perform the duties and obligations of the regional heads in case they are prevented.
- (2) In carrying out the duties as referred to in paragraph (1), the deputy regional head is responsible to the regional head.
- (3) The deputy regional head shall replace the regional head until his term of office expires in the event that the regional head is deceased, terminated, or is unable to perform his obligations for 6 (six) months continuously during his tenure.

**Article 27**

- (1) In carrying out the duties and authorities as referred to Article 25 and Article 26, the regional head and the deputy regional head have the following obligations:
  - a. Uphold and practice the Pancasila State Ideology, implement the 1945 Constitution, defend and ensure that the Unitary State of the Republic of Indonesia shall remain intact;
  - b. Improve the people's welfare;
  - c. Maintain the public order and peace;
  - d. Promote democracy;
  - e. Abide by and uphold all laws and regulations;
  - f. Comply with the ethics and norms in administering the regional government;
  - g. Promote and develop regional competitiveness;
  - h. Carry out the principles of clean and good governance;
  - i. Implement and be accountable for the regional finance management;
  - j. Forge working relationship with the entire vertical institutions in the region and

- regional apparatus;
- k. Submit strategic plans on regional government administration to the Plenary Session of DPRD.
- (2) Apart having the obligations as referred to in paragraph (1), the regional head must also submit the report on regional government administration to the Central Government, and provide the accountability report to DPRD, and inform the report of the regional government administration to the public.
  - (3) The report of the regional government administration to the Government as referred to in paragraph (2) shall be submitted to the President through the Minister of Home Affairs as for the Governor, and to the Minister of Home Affairs through the Governor as for the District Head/Mayor once a year.
  - (4) The report as referred to paragraph (3) shall be used by the Central Government as the basis to evaluate the running of the regional administration as the materials for enhancement in compliance to the prevailing laws and regulations.
  - (5) The implementation of the provisions as referred to in paragraph (1), paragraph (2), paragraph (3), and paragraph (4) shall be provided in a Government Regulation.

**Section Three**  
**Prohibitions for the Regional Head and Deputy Regional Head**  
**Article 28**

The regional head and deputy regional head shall be prohibited from:

- a. Making any decision that will benefit himself, family members, cronies, certain groups, or political groups that are contradictory with the laws and regulations, detrimental to the public interest, and upset certain people, or discriminate certain people and/or other members of the community;
- b. Participating in a company, privately owned or state-owned or in a foundation of any field;
- c. Doing other work that gives benefit for himself, either directly or indirectly, that relates to the said region.
- d. Committing corruption, collusion and nepotism, and accepting money, items and/or services from the other parties that affects the decision or action to be taken;
- e. Serving as lawyer or legal proxy in a court proceeding apart from what is contained in Article 25 point f;
- f. Abusing the power and breaching his professional oath/pledge;
- g. Concurrently holding a position as another government official, or as member of DPRD as stipulated in the laws and regulations.

**Section Four**  
**Termination of Regional Head and Deputy Regional Head**  
**Article 29**

- (1) The regional head and/or deputy regional head shall be terminated due to:
  - a. Decease
  - b. Own request; or
  - c. Being terminated.
- (2) The regional head and/or deputy regional head as referred to in paragraph (1) point c may be terminated for the reasons as follows:
  - a. Expiry of term of office and has been installed as a new official;
  - b. Unable to continuously carry out duties or permanently impended for 6 (six) months;
  - c. No longer meet the requirement and/or deputy regional head;
  - d. Declared having breached of professional oath/pledge as a regional head and/or deputy regional head.
  - e. Fail to carry out his obligations as a regional head/deputy regional head;
  - f. Having violated the prohibitions imposed to the regional head/deputy regional head.

- (3) The termination of the regional head/deputy regional head as referred to in paragraph (1) point a and point b as well as paragraph (2) point a and point b shall be notified by the DPRD Speaker to be decided in a Plenary Session and proposed by the DPRD Speaker.
- (4) The termination of regional head and/or deputy regional head as referred to in paragraph (2) point d and point e shall be carried out on the condition that:
  - a. The termination of regional head and/or deputy regional head shall be proposed to the President pursuant to the decree of the Supreme Court having heard the opinion from DPRD that the said regional head/deputy regional head no longer meets the requirement, has breached his professional oath/pledge, fail to implement his obligations and/or violated the prohibitions imposed on him.
  - b. The opinions from DPRD as referred to point a shall be decided through the Plenary Session of DPRD attended by at least  $\frac{3}{4}$  (three quarters) of the number DPRD members, and resolutions will be adopted with the approval from at least  $\frac{2}{3}$  (two third) of the members of DPRD present.
  - c. The Supreme Court must verify, judge and adjudicate such DPRD opinion at the latest 30 (thirty) days after the DPRD request is received by the Supreme Court and the decision is final.
  - d. If the Supreme Court decides that the regional head and/or deputy regional head breaches the oath/pledge and/or fails to carry out its obligations, DPRD shall convene a Plenary Session attended by at least  $\frac{3}{4}$  (three fourth) of DPRD members and any resolution made must be adopted by at least  $\frac{2}{3}$  (two third) of DPRD members who are present to recommend for the termination of a regional head/deputy regional head to the President.
  - e. The President must follow up the recommendation of temporary suspension of the regional head/deputy regional head at the latest 30 (thirty) days from the day when DPRD submits such recommendation.

### **Article 30**

- (1) The regional head and/or deputy regional head must be temporarily suspended by the President without any recommendation from DPRD if declared having committed a crime punishable with imprisonment of minimum 5 (five) years or longer pursuant to a court decision.
- (2) The regional head/deputy regional head shall be terminated by the President without any recommendation from DPRD if he proves having committed a crime as referred to in paragraph (1) based on a court decision that has obtained a permanent legal effect.

### **Article 31**

- (1) The regional head/deputy regional head shall be temporarily suspended by the President without any recommendation from DPRD as he is indicted having committed corruption, terrorism, rebellion, and/or crime against the state security.
- (2) The regional head/deputy regional head shall be terminated by the President upon recommendation from DPRD as he is proven having committed a rebellion and/or other actions that may disintegrate the Unitary State of the Republic of Indonesia as declared by a court decision that has obtained a permanent legal effect.

### **Article 32**

- (1) In the event that regional head/deputy regional head encounters a broad non-confident motion from the public due to suspected crime and is associated with his responsibility, DPRD shall use its probe right as a respond.
- (2) The probe right as referred to in paragraph (1) shall be used upon approval from the DPRD Plenary Session attended by at least  $\frac{3}{4}$  (three quarters) of the DPRD members and the resolution is adopted with the approval of at least  $\frac{2}{3}$  (two third) of DPRD members

who are present to conduct investigation to the regional head/deputy regional head.

- (3) In case evidence of committing a crime as referred to in paragraph (1), DPRD shall hand over the legal proceeding to the law enforcers according to the prevailing laws and regulations.
- (4) In case the regional head/deputy regional head encounters is declared guilty having committed a crime punishable with imprisonment of minimum 5 (five) years or longer pursuant to a court decision that has not obtained a permanent legal effect as referred to in paragraph (3), DPRD shall recommend a temporary suspension with DPRD resolution.
- (5) Based on DPRD resolution as referred to in paragraph (4), the President shall stipulate a temporary suspension of such regional head/deputy regional head.
- (6) If the regional head/deputy regional head is declared guilty pursuant to a court decision that has obtained a permanent legal effect as referred to in paragraph (4), the DPRD Speaker shall recommend a termination based on the resolution of the DPRD Plenary Session attended by at least  $\frac{3}{4}$  (three quarters) of the DPRD members and the resolution is adopted with the approval of at least  $\frac{2}{3}$  (two third) of DPRD members who are present.
- (7) In accordance with DPRD resolution as referred to in paragraph (6), the President shall terminate the regional head/deputy regional head.

### **Article 33**

- (1) The regional head/deputy regional head who is temporarily suspended as referred to in Article 30 paragraph (1), and Article 32 paragraph (5) but proves not guilty upon a court proceeding and based on the court decision with permanent legal effect, within at the latest 30 (thirty) days the President shall rehabilitate and return the regional head/deputy regional head to his original position until the end of his tenure.
- (2) In the event that regional head/deputy regional head who is temporarily suspended as referred to in paragraph (1) has ended his term of office, the President shall rehabilitate and the said regional head/deputy regional head will not return to his position.
- (3) The procedure for carrying out the provision as referred to in Article 30, Article 31, and Article 32 shall be regulated with a Government Regulation.

### **Article 34**

- (1) In case the regional head is temporarily suspended as referred to in Article 30 paragraph (1), Article 31 paragraph (1), and Article 32 (paragraph 5), the deputy regional head shall take over the duties and obligations of the regional head until there is a court decision that has obtained a permanent legal effect.
- (2) In case the deputy regional head is temporarily suspended as referred to in Article 30 paragraph (1), Article 31 paragraph (1), and Article 32 (paragraph 5), the duties and obligations the deputy regional head shall take over by the regional head until there is a court decision that has obtained a permanent legal effect.
- (3) In case the regional head and the deputy regional head are terminated by the President as referred to in Article 30 paragraph (1), Article 31 paragraph (1), and Article 32 (paragraph 5), the President shall appoint an acting Governor upon the recommendation from the Minister of Home Affairs or acting District Head/ Mayor upon the recommendation from the Governor and opinion from DPRD until there is a court decision that has obtained a permanent legal effect.
- (4) The procedure for such appointment, criteria of candidates, and tenure of the acting regional heads as referred to in paragraph (3) shall be provided in a Government Regulation.

### **Article 35**

- (1) In case the regional head is terminated pursuant to a court decision that has obtained a

permanent legal effect as referred to in Article 30 paragraph (2), Article 31 paragraph (2), and Article 32 (paragraph 7), the position of the regional head shall be taken over by the deputy regional head until the tenure expires, and such replacement shall be carried out in accordance with the resolution of the DPRD Plenary Session and approved by the President.

- (2) In the event that the position of deputy regional head is vacant as referred to in paragraph (1) whereby the remaining tenure is more than 18 (eighteen) months, the regional head shall propose 2 (two) regional head candidates to be elected by the DPRD Plenary Session based on the recommendations from the political parties or combined political parties of which their pair candidates are elected during the regional head and deputy regional head election.
- (3) In case the regional head and the deputy regional head resign or are terminated simultaneously within their tenures, the DPRD Plenary Session shall decide and assign KPUD to hold a regional head and deputy regional head election at the latest 6 (six) months after the appointment of acting regional head.
- (4) In case of vacant positions of regional head and deputy regional head as referred to in paragraph (3), the regional secretary shall carry out the day-to-day duties of the regional head until the President appoints an acting regional head.
- (5) The procedure for filling the vacancy, requirements and tenure of the officials as referred to in paragraph (4) shall be provided in a Government Regulation.

**Section Five**  
**Investigation Against Regional Head or Deputy Regional Head**  
**Article 36**

- (1) Any measures to investigate the regional head and/or deputy regional head shall happen only upon a written consent from the President at the request of the investigator.
- (2) In case the written consent as referred to in paragraph (1) is not granted by the President within 60 (sixty) days as from the day when the request is received, the investigation measures may begin.
- (3) An investigation measure that is followed by a detention shall require a written consent according to the provision as referred to in paragraph (1) and paragraph (2).
- (4) Matters that are excluded from the provisions as referred to in paragraph (1) are:
  - a. Evidently committing a crime; or
  - b. Being indicted of having committed a crime punishable with a death sentence, or having committed a crime against the state security.
  - c. The investigation measures as referred to in paragraph (4) must be notified to the President not later than 2 (two) times 24 (twenty-four) hours.

**Section Six**  
**Duties of Governor as the Central Government's Representative**  
**Article 37**

- (1) The Governor, due to his position, also serves as the Central Government's representative in the said province.
- (2) In his position as referred to in paragraph (1), the Governor shall report to the President.

**Article 38**

- (1) The Governor in his position as referred to in Article 37 have the following duties and authorities:
  - a. Enhance and supervise of the regional government administration of districts/cities;

- b. Coordinate the Central Government affairs administration in the province and districts/cities;
  - c. Coordinate the enhancement and supervision in assuming assistance in the province and districts/cities.
- (2) The funding for the duties and obligations of the Governor as referred to in paragraph (1) shall be taken from the State Budget.
  - (3) The financial position of the Governor as referred to in paragraph (1) shall be provided in a Government Regulation.
  - (4) The procedure for carrying out the duties and obligations of the Governor as referred to in paragraph (1) shall be provided in a Government Regulation.

**Section Five**  
**The Regional House of Representatives**  
**Section One**  
**General**  
**Article 39**

The provisions on DPRD as long as they are not provided in this Law shall be under the Law on the Structures and Positions of MPR, DPR, DPD and DPRD.

**Section Two**  
**Position and Role**  
**Article 40**

DPRD is the regional house of representatives and it has the position as the element of regional government administration.

**Article 41**

The main roles of DPRD are drafting the laws, preparing the regional budget and conducting supervision.

**Section Three**  
**Duties and Authorities**  
**Article 42**

- (1) DPRD has the following duties and authorities:
  - a. Drafting Regional Regulations that will be discussed with the regional head to obtain joint approval;
  - b. Discussing and approving draft Regional Regulations on the Regional Budget along with the regional head;
  - c. Supervising the execution of Regional Regulations and other laws and regulations, regulations of the regional heads, regional budgets, regional government policies in carrying out the regional development program, and international cooperation in the regions;
  - d. Proposing the appointments and terminations of regional heads/deputy regional heads to the President via the Minister of Home Affairs for provincial DPRD, and to the Minister of Home Affairs via the Governor for district/city DPRD;
  - e. Electing the deputy regional heads in case of vacancy of deputy regional heads;
  - f. Giving opinions and judgments to the regional administration on the international agreement plans in the regions;
  - g. Giving approval to international working agreement plans that will be entered into by the regional administration;
  - h. Asking for accountability reports from the regional heads concerning the



- administration of regional governments;
  - i. Establishing the supervising committee for electing the regional heads;
  - j. Supervising and asking KPUD reports in conducting the election of regional heads;
  - k. Giving approval to the inter-regional cooperation plans and with the third parties that put some liability to the communities and regions.
- (2) Apart from the duties and authorities as referred to in paragraph (1), DPRD shall perform other duties and obligations provided in the laws and regulations.

**Section Four**  
**Rights and Obligations**  
**Article 43**

- (1) DPRD is entitled to conduct:
- a. Investigation;
  - b. Inquiries; and
  - c. Expressing opinions
- (2) The execution of inquiries as referred to in paragraph (1) point b shall be carried out upon the submission of the investigation as referred to in paragraph (1) point a and having obtained approval from the DPRD Plenary Session attended by at least  $\frac{3}{4}$  (three quarters) and number of DPRD members, and the resolutions shall be adopted with the approval from at least  $\frac{2}{3}$  (two thirds) of DPRD members who are present.
- (3) In exercising the investigation right as referred to in paragraph (2), an investigation committee shall be formed making up of all DPRD fractions. They will work for maximum of 60 (sixty) working days upon having submitted their progress report to DPRD.
- (4) In carrying out its duties, the investigation committee as referred to in paragraph (3) may summon, hear and investigate individuals considered knowing or having the knowledge about the issue being investigated, and ask for any document linked to the matter being investigated.
- (5) Any individual being summoned, heard or investigated as referred to in paragraph (5) must meet the summon from the investigation committee unless there is legitimate reason according to laws and regulations.
- (6) In the event that the individual who has been appropriately summoned consecutively fails to respond to the summon as referred to in paragraph (5), the investigation committee may summon by force with the help of the Indonesian Police Force according to the prevailing laws and regulations.
- (7) The entire result of the investigation committee shall be confidential.
- (8) The procedure for exercising the investigation, inquiry and budget rights, and expressing opinions shall be provided in DPRD regulations based on the laws and regulations.

**Article 44**

- (1) The members of DPRD are entitled to:
- a. Submit draft Regional Regulations;
  - b. Raise questions or inquiry;
  - c. Submit proposals and express opinions;
  - d. Elect and be elected;
  - e. Defend themselves;
  - f. Immunity
  - g. Protocol affairs; and
  - h. Drafting financial and administrative policies;
- (2) The protocol and financial position of DPRD Speaker and members shall be provided in a Government Regulation.

**Article 45**

The DPRD members have the obligations to:

- a. Implement Pancasila state ideology, 1945 Constitution, and abide by the prevailing laws and regulations;
- b. Promote democracy in administering the regional governments;
- c. Defend and maintain the national unity and harmony as well as the oneness of the Unitary State of the Republic of Indonesia;
- d. Strive for the people welfare in the regions;
- e. Absorb, accommodate, and follow up the people's aspirations.
- f. Put the state's interest above the personal or group interests.
- g. Be accountable for the duties and performance as members of DPRD as the moral and political responsibilities against the respective electorate regions.
- h. Comply with the Regulations, Code of Ethics and oath/pledge of DPRD members;
- i. Maintain the norm and ethics in the working relations with the related institutions.

### **Section Five Structure of DPRD Article 46**

- (1) DPRD shall be composed of:
  - a. Speaker;
  - b. Commissions;
  - c. Deliberative committees;
  - d. Budget committee;
  - e. Honorary Council; and
  - f. Other instruments as deemed necessary.
- (2) The establishment, structure, duties and authorities of the instruments as referred to in paragraph (1) shall be provided in the DPRD Regulations pursuant to the prevailing laws and regulations.

### **Article 47**

- (1) The Honorary Council of DPRD shall be formed and stipulated in accordance to DPRD resolutions.
- (2) Members of the Honorary Council of DPRD as referred to in paragraph (1) may be elected from and by DPRD members as follows:
  - a. For District/City DPRD comprising up to 34 (thirty four) members, it consists of 3 (three) people, and for DPRD comprising 35 (thirty five) up to 45 (forty five) members, it consists of 5 (five) people.
  - b. For Provincial DPRD comprising up to 74 (seventy four) members, it consists of 5 (five) people, and for DPRD comprising 75 (seventy five) up to 100 (one hundred) members, it consists of 7 (seven) people.
- (3) The Chairpersons of DPRD Honorary Council as referred to in paragraph (2) shall comprise of one Chairperson and one Deputy Chairperson elected from and by members of the Honorary Council.
- (4) The Honorary Council as referred to in paragraph (1) shall be assisted by a secretariat which shall functionally be run by DPRD Secretariat.

### **Article 48**

The Honorary Council shall have the following duties:

- a. Observe, and evaluate the disciplines, ethics and moral of DPRD members as to uphold the dignity and honor in correspond to the DPRD Code of Ethics.
- b. Verify any indicted breaches committed by DPRD members against DPRD Code of Ethics and DPRD oath/pledge;

- c. Investigate, verify and clarify any complaint from DPRD Speaker public and/or voters;
- d. Submit conclusion of the outcome of investigation, verification, and clarification as referred to point c as recommended to be further followed up by DPRD.

#### **Article 49**

- (1) DPRD must prepare its code of ethics as to maintain the dignity and honor of DPRD members in implementing its duties and obligations.
- (2) The code of ethics as referred to in paragraph (1) must at least comprise:
  - a. Definition of code of ethics;
  - b. Purpose of code of ethics;
  - c. Regulating the attitude, working procedure, and system of inter-regional government administrators and between members of DPRD and other parties;
  - d. Appropriate things that must be carried out by DPRD members;
  - e. Ethics in expressing opinions, responses, replies and arguments; and
  - f. Penalties and rehabilitation.

#### **Article 50**

- (1) Each DPRD member must join a fraction.
- (2) The number of members of each fraction as referred to in paragraph (1) must at least equal as that of commission in DPRD.
- (3) DPRD members as referred to in paragraph (1) of 1 (one) political party that are not eligible to establish 1 (one) fraction, must join an existing fraction or form a combined one.
- (4) The existing fraction must accept DPRD members from other political parties that are eligible to form a fraction.
- (5) If a combined fraction as referred to in paragraph (3) upon its formation, again fails to meet the requirements as a combined fraction, all members of such combined fraction must join with another fraction and/or combined fraction that meets the requirements.
- (6) Political parties that are eligible to form a fraction may only be able to form one fraction.
- (7) Combined fractions may be formed by political parties under the requirements as referred to in paragraph (2) and paragraph (5).

#### **Article 51**

- (1) A provincial DPRD comprising 35 (thirty five) members up to 75 (seventy five) members may form as many as 4 (four) commissions, while that comprising more than 75 (seventy five) members may form 5 (five) commissions.
- (2) A district/city DPRD comprising 20 (twenty) members up to 35 (thirty five) members may form as many as 3 (three) commissions, while that comprising more than 35 (thirty five) people may form 4 (four) commissions.

#### **Article 52**

- (1) DPRD members may not prosecuted before the law due to any statement and/or opinion expressed orally or in writing in the DPRD meeting, as long as it is not contradictory with the DPRD regulations and code of ethics.
- (2) The provisions as referred to in paragraph (1) are not valid in the event that the said member announces the materials agreed in a closed meeting to be treated confidentially, or matters as referred to in the provisions concerning the announcement of state secrets in the prevailing laws and regulations.
- (3) The DPRD members may not be replaced through interim rotation due to his statement, inquiry and/or opinion made during the DPRD meetings.

### **Article 53**

- (1) An investigation measure against DPRD member may occur only upon a written agreement from the Minister of Home Affairs on behalf of the President for provincial DPRD member, and from the Governor on behalf of the Minister of Home Affairs for district/city DPRD.
- (2) In case the written agreement as referred to in paragraph (1) is not granted within 60 (sixty) days at the latest as from the acceptance of the request, the investigation process may be conducted.
- (3) Any investigation measure followed up by a detention shall require written approval of which its granting shall conform to paragraph (1) and paragraph (2).
- (4) Exceptions from the provisions as referred to in paragraph (1) are:
  - a. Evidently committing a crime; or
  - b. Indicted having committed a crime punishable with death sentence, or crime against the state's security.
- (5) Upon an action as referred to in paragraph (4), any investigation must be notified to the government official granting the permission as referred to in paragraph (1) not later than 2 (two times) 24 (twenty four) hours.

### **Part Six Prohibition and Termination of DPRD members Article 54**

- (1) DPRD members shall be prohibited from concurrently serving as:
  - a. Another government official;
  - b. Court judge;
  - c. Civil government employee, member of the Armed Force/ Police Force, employee of state-owned enterprise, regional government company and/or other organizations of which their budget comes from the State Budget/Regional Budget.
- (2) DPRD members shall be prohibited from serving any structural official in a private educational institute, public accountant, consultant, lawyer/counselor-at-law, notary, general practitioner or other professions related to the authorities and rights as DPRD members.
- (3) DPRD members shall be prohibited from committing any corruption, collusion and nepotism.
- (4) DPRD members assuming the professions as referred to in paragraph (2) must relinquish such work while serving as DPRD members.
- (5) DPRD members who fail to meet their obligations as referred to in paragraph (4) shall be terminated by the House Speaker based on the investigation of the DPRD Honorary Council.
- (6) The execution of the provisions as referred to in paragraph (1), paragraph (2), paragraph (3), paragraph (4), and paragraph (5) shall be provided in DPRD regulation in compliance to the prevailing laws and regulations.

### **Part Seven Interim Replacement of DPRD Members Article 55**

- (1) DPRD members shall be terminated through interim rotation as members due to:

- a. Death;
  - b. Resignation at their own request in writing; and
  - c. Requested by the respective political parties;
- (2) DPRD members shall be terminated through interim rotation for the following reasons:
    - a. Failure to resume their duties continuously or prevented permanently for 6 (six) months in a row;
    - b. Are not eligible as DPRD member;
    - c. Breach of their oaths/pledge, and/or violated the DPRD code of ethics;
    - d. Failure to implement their obligations as DPRD members;
    - e. Breach the prohibitions for DPRD members.
    - f. Declared guilty pursuant to a court decision that has received permanent legal effect for having committed a crime punishable with imprisonment of minimum 5 (five) years or longer.
  - (3) The termination of DPRD members that meet the provisions as contained in paragraph (1) and paragraph (2) shall be submitted by DPRD Speaker to the Minister of Home Affairs via the Governor for members of provincial DPRD, and to the Governor via the District Head/Mayor for members of district/city DPRD for official termination.
  - (4) The termination of DPRD members as referred to in paragraph (2) point a, point b, point c, point d and point e shall be effective upon a DPRD resolution based on the recommendation from DPRD Honorary Council.
  - (5) The implementation of provisions as referred to in paragraph 1, paragraph 2, paragraph 3, and paragraph 4 shall be provided in DPRD Regulations in compliance to the prevailing laws and regulations.

**Part Eighth**  
**Election of Regional Heads and Deputy Regional Heads**  
**Section One**  
**Election**  
**Article 56**

- (1) The regional heads and deputy regional heads shall be democratically elected in one pair of candidates through direct, general, free, secret, honest and fair manners.
- (2) The pair of candidates as referred to in paragraph (1) shall be submitted by political parties or combined political parties.

**Article 57**

- (1) The election regional heads and deputy regional heads shall be administered by KPUD that reports to DPRD.
- (2) In carrying out its duties, KPUD shall submit the reports on the election of regional heads and deputy regional heads to DPRD.
- (3) To supervise the election of regional heads and deputy regional heads, KPUD shall form the supervision committee for the election of regional heads and deputy regional heads composed of elements from the police, attorney, universities, mass media and informal leaders.
- (4) The members of the supervision committee as referred to in paragraph (3) are composed of 5 (five) people for a province, 5 (five) people for a district/city, and 3 (three) people for a sub-district.
- (5) The sub-district supervision committee shall be proposed by the district supervision committee to be further stipulated by DPRD.
- (6) In the absence of the elements as referred to in paragraph (3), the district/city/sub-district supervision committee, they may be filled by the other elements.
- (7) The supervision committee for the election of regional heads and deputy regional heads shall be formed by and report to DPRD.

## **Article 58**

The Candidates for the Regional Heads and Deputy Regional Heads shall be Indonesian citizens meeting the following prerequisites and qualifications:

- a. Believe in God the Almighty;
- b. Loyal to the Pancasila as the state ideology, 1945 Constitution, ideals of the Independence Proclamation of 17 August 1945, and the Unitary State of the Republic of Indonesia as well as the Government;
- c. At least are graduates of senior high school and/or equivalent;
- d. Aged minimum 30 (thirty) years old;
- e. Physically and mentally healthy pursuant to the general check up administered by a team of physicians;
- f. Have never served imprisonment based on a court decision that has a permanent legal effect due to having committed a crime punishable with imprisonment of maximum 5 (five) years or longer;
- g. Their voting rights are not being revoked based on a court decision that has a permanent legal effect;
- h. Are familiar with their region and are publicly known in their respective regions.
- i. Have submitted list of personal wealth and have no objection of their official announcement to the public;
- j. Do not have any personal and/or corporate borrowing under their responsibility that is detrimental to the state.
- k. Not declared bankrupt based on a court decision that has a permanent legal effect;
- l. Never committed any inappropriate conduct;
- m. Own Tax Payer Registration Number (NPWP) or those without it must own tax receipts;
- n. Have submitted complete resumes containing among others history of education and employment, as well as family record.
- o. Have never served as regional heads or deputy regional heads for 2 (two) times in the same positions; and
- p. Their current statuses are not acting regional heads.

## **Article 59**

- (1) The candidates of regional heads and deputy regional heads are a pair of candidates as proposed as a pair by the political parties or combined political parties.
- (2) The political parties or combined political parties as referred to in paragraph (1) may register their pair of candidates if the political parties meet the requirement by having acquired at least 15% (fifteen) percent of the number of DPRD seats or 15% (fifteen) percent of the accumulated legitimate votes during the General Election of DPRD members in the respective regions.
- (3) The political parties or combined political parties must give broad opportunities to the individual prospective candidates who meet the prerequisites as referred to Article 58 and further screened such prospective candidates through democratic and transparent mechanism.
- (4) In selecting the pair of candidates, the political parties or combined political parties must pay heed to the public aspirations and responses.
- (5) The political parties or combined political parties when registering the pair of candidates must submit:
  - a. Nomination letters signed by the chairmen of political parties or chairman of combined political parties;
  - b. Written agreement among combined political parties to nominate the pair of candidates;
  - c. Written declaration not to withdraw the nomination of their nominated couples as signed by the chairmen of political parties or chairman of combined political parties;

- d. Written statement of willingness by the said nominees as the candidates of regional heads and deputy regional heads as a pair;
  - e. Written declaration not to withdraw as pair candidates;
  - f. Written declaration to relinquish their positions if they are elected as the regional heads and deputy regional heads according to the prevailing laws and regulations.
  - g. Written declaration to resign from a government post for the candidates being a civil government employee, member of the Indonesian Armed Force and member of the Indonesian Police Force.
  - h. Written statement of not being active in his position for DPRD speaker of the said region if he becomes a candidate in the region under his jurisdiction.
  - i. Written notification to the speakers for members of DPR, DPD, and DPRD who nominate themselves as candidates of regional heads and deputy regional heads.
  - j. Other prerequisites as candidates of regional heads and deputy regional heads as referred to Article 58; and
  - k. Written statements on their visions, missions, and programs of the pair of candidates.
- (6) Political parties or combined political parties as referred to paragraph (1) may propose only one pair of candidates and such pair may not be proposed again by the other political parties or combined political parties.
- (7) The period of registration for the pair of candidates as referred to paragraph (1) is maximum 7 (seven) days as from the announcement day of the pair of candidates.

#### **Article 60**

- (1) The pair of candidates as referred to Article 59 paragraph (1) shall have their administrative prerequisites be verified through clarification to the competent government institutions, and through the inputs received from the public about the prerequisites of the pair of candidates.
- (2) The result of the verification as referred to in paragraph (1) shall be notified in writing to the chairmen of political parties or chairman of combined political parties who have nominated the pair not later than 7 (seven) days from the closing date of registration.
- (3) In case the pair of candidates do not meet the prerequisites or their nomination is rejected for failing to meet the prerequisites as referred to in Article 58 and/or Article 59, the political parties or combined political parties that are eligible to nominate the pairs are given the opportunity to complete and/or correct their nomination letters along the prerequisites of the pair of candidates or propose new candidates at the latest 7 (seven) days to the chairmen of political parties or combined political parties that have nominated the pairs.
- (4) KPUD shall cross check the prerequisite completion and correction of the pair of candidates as referred to in paragraph (3) and simultaneously notify the result of such verification at the latest 7 (seven) days to the chairmen of political parties or combined political parties nominating the pair of candidates.
- (5) If the verification results of the documents of pair of candidates as referred to in paragraph (3) does not meet the requirements and rejected by KPUD, the political parties and or combined political parties, shall not be eligible to nominate pairs anymore.

#### **Article 61**

- (1) Based on the verification results as referred to in Article 60 paragraph (2) and paragraph (4), KPUD shall nominate pairs of candidates of at least 2 (two) pairs as contained in the Official Minute of Determining the pair of candidates.
- (2) The selected pair of candidates as referred to in paragraph (1) shall be announced to the public at the latest 7 (seven) days upon the completion of verification.
- (3) The pairs of candidates that have been selected and announced shall join an open draw to determine the sequential numbers of the pairs of candidates.
- (4) The selection and announcement of pair of candidates as referred to in paragraph (3) shall

be final and binding.

#### **Article 62**

- (1) The political parties or combined political parties shall be prohibited from withdrawing their candidates and/or pair of candidates, and the pair of candidates or one of the pair of candidates shall be prohibited from resigning from the day when they are stipulated as pair of candidates by KPUD.
- (2) In the event that political parties or combined political parties decide to withdraw their candidates and/or pair of candidates and/or one of the pair of candidates resigns as referred to in paragraph (1), the political parties or combined political parties nominating such candidates may not nominate substitute ones.

#### **Article 63**

- (1) In case one of the pairs of candidates are permanently prevented from the date of selection of the candidates until the start of the campaign, the political parties or combined political parties of which their pair of candidates are permanently prevented may nominate a substitute pair of candidates at the latest 3 (three) days after the pair of candidates are permanently prevented, and KPUD shall verify the administrative prerequisites and select the pair of substitute candidates at the latest 4 (four) days from the date when the substitute pair of candidates are registered.
- (2) In the event that 1 (one) candidate or pair of candidates are permanently prevented at the start of the campaign until the ballot casting day, and there remains 2 (two) pairs of candidates or more, the stages of the election of regional heads and deputy regional heads must be continued and the pair of candidates who are permanently prevented may not be replaced and shall be disqualified.
- (3) In case one of the candidates or pair of candidates are permanently prevented at the start of the campaign until the day of ballot casting making the number of pair of candidates less than 2 (two) pairs, the election stages of the regional head and deputy regional head shall be postponed not later than 30 (thirty) days. While the political parties or combined political parties of which their pair of candidates are prevented, may still nominate their substitute pair of candidates at the latest 3 (three) days since pair of candidates are permanently prevented. Under such circumstance, KPUD shall verify the administrative prerequisites and select the substitute pair of candidates not later than 4 (four) days from the date when the substitute candidates are registered.

#### **Article 64**

- (1) In case of one of the pair or pair of candidates is permanently prevented after the first-phase election until the beginning of the second-phase of election, the election stages of regional head and deputy regional head shall be postponed not later than 30 (thirty) days.
- (2) The political parties or combined political parties of which their pair of candidates are permanently prevented may still nominate their substitute pair of candidates at the latest 3 (three) days from the date when the pair of candidates are permanently prevented as referred to in paragraph (1) and KPUD shall verify the their administrative prerequisites and select the substitute pair of candidates at the latest 4 (four) days since the date when the substitute pair of candidates is registered.

#### **Article 65**

- (1) The election of the regional heads and deputy regional heads shall be administered through preparation period and execution stages.
- (2) The preparation stages as referred to in paragraph (1) shall include:



- a. DPRD notification to the regional head regarding the expiry of his term of office;
  - b. DPRD notification to KPUD regarding the expiry of the regional head's tenure.
  - c. The execution planning that covers determining the procedure and schedule of regional head election stages;
  - d. Forming the Supervision Committee, PPK, PPS and KPPS;
  - e. Notification and registration of monitors;
- (3) The execution stages as referred to in paragraph (1) shall cover:
- a. Determining the list of voters;
  - b. Registration and Selection of candidates of regional heads/deputy regional heads;
  - c. Campaign;
  - d. Ballot casting;
  - e. Vote counting; and
  - f. Announcing the selected pair of candidates of regional head/deputy regional head, legalization and officiating.
- (4) The procedure of the preparation stage as referred to in paragraph (2) and the execution stages as referred to in paragraph (3) shall be regulated by KPUD in compliance to the prevailing Government Regulations.

### **Article 66**

- (1) The duties and authorities of KPUD in administering the election of regional heads and deputy regional heads are as follows:
- a. Plan the election of regional heads and deputy regional heads;
  - b. Determine the procedure of election of regional heads and deputy regional heads;
  - c. Coordinate, implement and control all stages of election of regional heads and deputy regional heads;
  - d. Set the date and procedure of campaign and carry out ballot casting of the election of regional heads and deputy regional heads;
  - e. Verify the prerequisites of political parties or combined political parties that nominate the candidates;
  - f. Verify the prerequisites of regional head and deputy regional head candidates;
  - g. Determine the eligible pair of candidates;
  - h. Register and announce the campaign teams;
  - i. Announce the reports on the campaign fund donations;
  - j. Conclude results of votes counting recapitulation and announce the results of the election of regional head and deputy regional head;
  - k. Evaluate and report the election of regional head and deputy regional head;
  - l. Perform other duties and authorities as provided in the prevailing laws and regulations;
  - m. Appoint a public accountant firm to audit the campaign funds and announce the audit results.
- (2) In carrying out the election of governor and deputy governor, the district/city KPUD is part of the body implementing the stages of the election as stipulated by the provincial KPUD.
- (3) The duties and authorities of DPRD in carrying out the election of regional head and deputy regional head are as follows:
- a. Notify the regional head that the term of office shall expire soon;
  - b. Propose the termination of regional head and deputy regional head whose tenure will end, and recommend the appointment of regional head and deputy regional head elected;
  - c. Supervise all stages of election;
  - d. Form a supervision committee;
  - e. Ask for the accountability for KPUD duties execution; and

- f. Convene a Plenary Session to hear the presentation of visions, missions and programs of the pairs of candidates of regional heads and deputy regional heads;
- (4) The election supervision committee have the following duties and authorities:
- a. Supervise all stages of election of regional head and deputy regional head;
  - b. Accept reports on the breaches of the laws on election of regional head and deputy regional head;
  - c. Resolve any dispute arising from election of regional head and deputy regional head;
  - d. Pass on any findings and reports that cannot be resolved to the competent institutions; and
  - e. Regulate the coordinating relationship among the supervision committee in all levels.

#### **Article 67**

- (1) KPUD have the following obligations:
- a. Treat all pairs of candidates fairly and equally;
  - b. Set forth the standardization and logistic associated with the election of regional head and deputy regional head in compliance with the prevailing laws and regulations;
  - c. Submit report to DPRD on each stage of election and provide information about the activities to the public;
  - d. Maintain archives and documents on the election and manage the inventories belonging to KPUD in compliance to the prevailing laws and regulations;
  - e. Be accountable as regards the budget use to DPRD;
  - f. Timely implement all stages of electing the regional head and deputy regional head.

### **Section Two Determining the Voters Article 68**

Indonesian citizens who on the day of electing the regional head and deputy regional head are already 17 (seventeen) years old or have/ever married and have the voting right.

#### **Article 69**

- (1) To be eligible voters, the Indonesian citizens must be registered as voters;
- (2) To be registered as the voters, Indonesian citizens as referred to in paragraph (1) must meet the following prerequisites:
  - a. They are mentally/spiritually healthy;
  - b. Their voting rights are not being annulled based on a court decision with permanent legal effect.
- (3) An Indonesian citizen already registered in the list of voters but not eligible as referred to in paragraph (2) may not exercise his/her voting right.

#### **Article 70**

- (1) The list of voters during the most recent general election in the region shall be used as the list voters for the election of regional head and deputy regional head.
- (2) The list of voters as referred to in paragraph (1) plus supplementary list of eligible voters shall be used as the temporary list of voters.

#### **Article 71**

The voters already registered as the voters as referred to in Article 70 shall be given proof of

registration which shall be exchanged with the voter cards valid for each election phase.

#### **Article 72**

- (1) A voter shall be registered only for 1 (one) time in the list of voters.
- (2) If a voter owns more than 1 (one) place of domicile, he/she must choose one of the two to be determined as the domicile mentioned in the list of voters.

#### **Article 73**

- (1) The voters registered in the list of voters as referred to Article 70, who then change their domiciles or want to exercise their voting right in another place, must notify the local PPS.
- (2) PPS as referred to in paragraph (1) shall record the voters' names in the list of voters and issue a change of domicile statement for casting ballot in another place.
- (3) The voters must report their change of domicile to the PPS in their new domiciles.
- (4) The registered voters, who for certain reason may not use their voting rights in the polling stations as determined, must use their voting rights in other place by showing the voters card.

#### **Article 74**

- (1) Based on the list of voters as referred to Article 70 and Article 73, PPS shall compile and determine the temporary list of voters.
- (2) The temporary list of voters as referred to in paragraph (1) shall be announced by PPS to be responded by the public.
- (3) The voters who are not registered in such temporary list of voters may register themselves to PPS and their names are recorded in the supplementary list of voters.
- (4) The temporary list of voters and supplementary list of voters shall be stipulated as the permanent list of voters.
- (5) The permanent list of voters shall be legalized and announced by PPS.
- (6) The procedure for executing the list of voters shall be determined by KPUD.

### **Section Three**

#### **Campaigns**

#### **Article 75**

- (1) The campaigns shall be implemented as part of election of regional head and deputy regional head.
- (2) The campaigns as referred to in paragraph (1) shall take place for 14 (fourteen) days and end 3 (three) days before the day of election.
- (3) The campaigns as referred to in paragraph (1) shall be executed by the campaign teams formed by the pairs of candidates along with the political parties or combined political parties that have nominated the pair of candidates.
- (4) The campaign teams as referred to in paragraph (3) shall be registered to KPUD along with the registration of the pairs of candidates.
- (5) The campaigns as referred to in paragraph (1) shall be carried out simultaneously or separately by the pairs of candidates and/or their respective campaign teams.
- (6) The pairs of candidates shall be the individuals responsible for the campaigns while their campaign teams shall be responsible for the campaign execution.
- (7) The campaign teams may be formed in multi levels in the province, district/city for the pair of candidates of Governors and Deputy Governors, and district/city and sub-district for the pair of candidates of District Head/Deputy District Head and Mayor/Deputy Mayor.
- (8) Throughout the campaign period, the public shall have the freedom to attend the

campaigns.

- (9) The campaign schedule shall be determined by KPUD by taking into account the proposals from the pairs of candidates.

#### **Article 76**

- (1) The campaign may take place through a:
  - a. Limited meeting;
  - b. Face-to-face meeting and dialog;
  - c. Dissemination of information through the print and electronic media;
  - d. Radio and/or TV broadcast;
  - e. Dissemination of campaign materials to the public;
  - f. Public display;
  - g. Mass rally;
  - h. Public debate between/among the candidates; and/or
  - i. Other activities that do not breach the prevailing laws and regulations.
- (2) The pairs of candidates must present their visions, missions and programs orally and in writing to the public.
- (3) The candidates of regional head and regional head shall be entitled to acquiring information or data from the regional administration in compliance to the prevailing laws and regulations.
- (4) The campaign materials must be disseminated in ethical, orderly and educative fashion.
- (5) The campaigns shall be organized in the entire province for the election of governor and deputy governor, and the entire district/city for the election of district head and regional district head and mayor and deputy mayor.

#### **Article 77**

- (1) The print media and electronic media must give equal opportunities to the pairs of candidates for presenting their campaign themes and materials.
- (2) The electronic media and print media must give equal opportunities for the pairs of candidates for inserting their ads to elect the regional head and deputy regional head in their campaigns.
- (3) The regional administration must give equal opportunities to the pairs of candidates for using the public facilities.
- (4) Those attending the limited meetings or mass rallies conducted by the pairs of candidates are allowed only to bring or use the party logos and/or attributes of the said pairs of candidates.
- (5) KPUD shall coordinate with the regional administration to determine the sites/locations to put the campaign attributes.
- (6) The installation of campaign attributes as referred to in paragraph (5) by the pairs of candidates shall be carried out viewing the ethics, aesthetics, cleanliness, and beauty of the cities or sites in compliance to the prevailing laws and regulations.
- (7) The installation of campaign attributes in the sites belonging to individuals or private organizations must first obtain permission from the owners.
- (8) The campaign attributes must be removed from the sites at the latest 3 (three) days prior to the day of election.

#### **Article 78**

During the campaigns, it is not prohibited from:

- a. Questioning the Pancasila state ideology and the Preamble of the 1945 Constitution;
- b. Insult individual, religion, ethnicity, race, group, the regional head/deputy regional head candidates and/or political parties;
- c. Provoke or pit political parties, individuals, and/or social groups against each other;

- d. Resort to force, intimidation, violence or encourage the use of violence to individuals, social groups and/or political parties;
- e. Disturb the security, peace and public order;
- f. Threaten and encourage use of violence to take over power from a legitimate government;
- g. Vandalize and/or remove campaign attributes of other pairs of candidates;
- h. Use the facilities and state budget and regional budget;
- i. Use the worship place and education facilities; and
- j. Carry out rally on foot and/or using vehicles that through the main roads.

#### **Article 79**

- (1) During the campaign, it is prohibited from involving:
  - a. Judges of any courts;
  - b. Officials of State-Owned Companies (BUMN/BUMD);
  - c. Structural and functional state officials;
  - d. Village heads.
- (2) The prohibitions as referred to in paragraph (1) does not apply if the said officials are the candidates of the regional head and deputy regional head.
- (3) The state officials who are the candidates of the regional head and deputy regional head in carrying out their campaigns must meet the provisions as follows:
  - a. Do not use the facilities linked to their positions;
  - b. Take unpaid leave; and
  - c. The arrangement of the leave and leave schedule must ensure that the regional government administration runs smoothly.
- (4) The pairs of candidates shall be prohibited from involving any civil government employees, members of the Indonesian Armed Force, members of the Indonesian Police Force as the campaign attendants and campaign speakers during the election of regional head and deputy regional head.

#### **Article 80**

State officials, structural and functional government officials shall be prohibited from making any decision and/or taking any action that will benefit or harm one of the pairs of candidates during the campaign period.

#### **Article 81**

- (1) Any violation of the provision on the prohibitions on campaign executions as referred to Article 78 point a, point b, point c, point d, point e, and point f shall be treated as crime and is subject to the penalties in compliance to the prevailing laws and regulations.
- (2) The violation of the provision on the prohibitions on campaign executions as referred to Article 78 point g, point h, point i, and point j shall be treated as a breach to the campaign procedure and is subject to the penalties as follows:
  - a. Written warning if the campaign organizer breaches the prohibitions although no disturbance has occurred;
  - b. Banning the campaign activities in the places of violation or in the entire election region if there is disturbance to the security which may potentially spread to the other election regions.
- (3) The procedure of penalty imposing against the breaches of prohibitions of campaign execution as referred to in paragraph (2) as stipulated by KPUD.
- (4) Any violation of the provisions on the prohibition from organizing a campaign as referred to in Article 79 shall be subject to a penalty in the form of terminating the campaign during the campaign period by KPUD.

#### **Article 82**

- (1) The pairs of candidates and/or campaign teams shall be prohibited from making promises and/or distributing cash or other materials to influence the voters.
- (2) The pairs of candidates and/or campaign teams proved having committed the breach as referred to in paragraph (1) based on the court decision with permanent legal effect shall be imposed with a penalty in the form of annulment as the pair of candidates by DPRD.

### **Article 83**

- (1) The campaign funds may be obtained from:
  - a. The pairs of candidates themselves;
  - b. Political parties and/or combined political parties who have nominated the pairs;
  - c. Non-binding donations from the other parties comprising donations from individuals and/or private corporate entities.
- (2) Each pair of candidates must have a special account for the campaign funds and such account must be registered to KPUD.
- (3) The campaign fund donations as referred to in paragraph (1) point c from individuals must not exceed Rp 50,000,000 (fifty million rupiah) and from private corporate entities must not exceed Rp 350,000,000 (three hundred and fifty thousand million rupiah).
- (4) Each pair of candidates may receive and/or approve any direct non-cash funding for campaign activities.
- (5) Donations to the pairs of candidates exceeding Rp 2,500,000 (two billion and five hundred thousand rupiah) either in cash or non-cash that may be converted to cash must be notified to KPUD as regards their amount and identities of the donators;
- (6) The reports on campaign fund donations as referred to in paragraph (3) and paragraph (5) shall be submitted by the pairs of candidates to KPUD within 1 (one) days prior to the campaign period, and 1 (one) day after the campaign is over.
- (7) KPUD shall announce through the mass media the reports on the campaign fund donations of each pair of candidates as referred to in paragraph (6) to the public one day prior to receiving the reports from the pairs of candidates.

### **Article 84**

- (1) The pairs of candidates shall use the campaign funds, and the campaign teams shall work out the technicality of the fund use.
- (2) The campaign funds as referred to in paragraph (1) must be reported by the pairs of candidates to KPUD at the latest 3 (three) days after the day of election.
- (3) KPUD must submit the campaign fund reports as referred to in paragraph (2) to a public accountant firm at the latest 2 (two) days after KPUD receives the campaign fund reports from KPUD.
- (4) The public accountant firm must complete the audit at the latest 15 (fifteen) days after receipt of the campaign fund reports from KPUD.
- (5) The audit result as referred to in paragraph (4) shall be announced by KPUD at the latest 3 (three) days after KPUD receives the report of audit results from the public accountant firm.
- (6) The campaign fund reports received by KPUD must be maintained and are open for the public.

### **Article 85**

- (1) The pairs of candidates shall be prohibited from receiving donations or other grants for the campaigns originating from:
  - a. Foreign countries, foreign private institutions, foreign non-government organizations and foreign citizens;
  - b. Donators or grantors whose identities are obscure;

- c. Government, State-Owned Companies (BUMN, BUMD).
- (2) The pairs of candidates receiving the donations as referred to in paragraph (1) shall be prohibited from using such funds and must report them to KPUD not later than 14 (fourteen) days after the campaign period is over and hand them over to the regional treasury.
  - (3) The pairs of candidates who breach the provisions as referred to in paragraph (1) shall be imposed with cancellation penalty as the pairs of candidates by KPUD.

**Section Four**  
**Ballot Casting**  
**Article 86**

- (1) The ballot casting for the election of regional head and deputy regional head shall be administered at the latest 1 (one) month before the expiry of the regional head's tenure.
- (2) The ballot casting shall be carried out by casting the ballots that contain the sequential numbers, photographs, and names of pairs of candidates.
- (3) The ballot casting shall take place on a holiday or any day declared as a public holiday.

**Article 87**

- (1) The ballots as referred to in Article 86 paragraph (2) shall be printed in the same number as that of the permanent voters plus 2.5% (two and half percent) from the number of such voters.
- (2) The additional number of ballots as referred to in paragraph (1) shall be used as reserve ballots in each polling station to replace the ballots of the voters who have mistakenly elected their candidates or the damaged ones.
- (3) The use of additional ballots as referred to in paragraph (2) shall be recorded in a minutes.

**Article 88**

The voting for regional head and deputy regional head election shall be administered by punching the pictures of one of the pairs of candidates on the ballots.

**Article 89**

- (1) Blind and disabled voters, or those with other physical handicaps when casting their ballots in the polling stations may be assisted by KPPS officers or other people as requested by the voters.
- (2) KPPS officers or other people assisting the voters as referred to in paragraph (1) must keep confidential of the choice of the voters they have assisted.
- (3) Further provisions on providing assistance to the voters as referred to in paragraph (1) and paragraph (2) shall be regulated with a Government Regulation.

**Article 90**

- (1) The number of voters in each polling station shall be maximum 300 (three hundred).
- (2) The polling stations as referred to in paragraph (1) shall be located in places that are easily accessible, including to the disabled, and ensure that the voters are able to cast their ballots directly, freely and secretly.
- (3) The number, locations, shapes and layouts of the polling stations shall be determined by KPUD.

**Article 91**

- (1) For the sake of ballot casting during the regional head and deputy regional head election,

- KPUD shall provide ballot boxes for the voters.
- (2) KPUD shall determine the number, shape, size and color of the ballot boxes as referred to in paragraph (1) in compliance to the prevailing laws and regulations.

#### **Article 92**

- (1) Prior to the ballot casting, KPPS shall:
  - a. Open the ballot boxes;
  - b. Empty the ballot boxes;
  - c. Identify the documents and equipment; and
  - d. Count the number of each documents and equipment.
- (2) The KPPS activities as referred to in paragraph (1) may be attended by the witnesses and pairs of candidates, supervision committee, monitoring teams and members of the community.
- (3) The KPPS activities as referred to in paragraph (1) must be recorded in minutes that will be signed by the KPPS Chairperson, and at least 2 (two) KPPS members and may be signed by the witnesses and pairs of candidates.

#### **Article 93**

- (1) Upon having conducted the activities as referred to Article 92, KPPS shall explain the ballot casting procedure.
- (2) In casting their ballots, the voters shall do so in correspond to the principle of 'first come first served' basis.
- (3) In the event that voters receive the damaged ballots, they shall be entitled to ask for a replacement from KPPS, and KPPS shall give the replacement one time only.
- (4) In case of erroneous ballot casting, the voter may for a replacement from KPPS, and KPPS shall give the replacement one time only.
- (5) KPUD shall determine the time to begin and end the ballot casting.

#### **Article 94**

- (1) The voters who cast their ballots in the polling station shall be specially marked by KPPS.
- (2) The special marking as referred to in paragraph (1) shall be stipulated by KPUD in compliance to the Government Regulation.

#### **Article 95**

- The ballots for the regional head and deputy regional head election shall be declared valid if:
- a. The ballots are signed by KPPS Chairperson and
  - b. The punch has been made over the pictures of one of the pairs of candidates; or
  - c. The punch has been made on the box-shaped section containing the number, pictures and names of the pair of candidates; or
  - d. The punches are more than one but are have been made within the box-shaped section containing the number, pictures and names of the pair of candidates; or
  - e. The punch has been made on one of lines of the box-shaped section containing the number, pictures and names of the pair of candidates.

#### **Article 96**

- (1) KPPS shall count the votes in the polling stations as soon as the ballot casting is over.
- (2) Prior to votes counting, KPPS shall count:
  - a. The number of voters who have cast their ballots based on the copy of list of fixed voters for the polling station;
  - b. The number of voters in other polling stations;



- c. Number of remaining ballots; and
  - d. Number of ballots returned by the voters due to damage or mistakenly punched.
- (3) The use of additional ballots shall be recorded in minutes signed by KPPS Chairperson and at least 2 (two) KPPS members.
  - (4) Votes counting shall be done and completed in the polling station by KPPS and may be attended by the witnesses of the pairs of candidates, supervision committee, monitoring teams, and members of the community.
  - (5) The witnesses of the pairs of candidates must show the written mandates from the campaign teams and submit them to the KPPS Chairperson.
  - (6) Votes counting shall be carried out through a method that enables the pairs of candidates' witnesses, supervision committee, monitoring teams, and members of the community to witness the votes counting process.
  - (7) The pairs of witnesses and members of the community through the pairs of candidates' witnesses who are present may file objection against the votes counting by KPPS if there are matters contradictory to the prevailing laws and regulations.
  - (8) In the event of objection filed by the pairs of candidates' witnesses or members of the community as referred to in paragraph (7) is acceptable, KPPS shall correct the votes counting at once.
  - (9) As soon as votes counting in the polling stations in completed, KPPS shall make minutes and issue a certificate signed by the Chairperson and at least 2 (two) KPPS members, and may also be signed by the pairs of candidates' witnesses.
  - (10) KPPS shall give 1 (one) set of minutes and certificate of votes counting result to the pairs of candidates' witnesses who are present, and post another certificate of votes counting result in a public place.
  - (11) KPPS shall submit the minutes, certificate of votes counting result, ballots, and ballot casting administrative equipment and votes counting result to PPS as soon as the votes counting is over.

#### **Article 97**

- (1) Upon receipt of minutes and certificate of votes counting result, PPS shall make minutes of receipt and recapitulate the number of votes for village/village unit level. Such may be attended by the witnesses of the pairs of candidates, supervision committee, monitoring teams, and members of the community
- (2) The pairs of candidates' witnesses must show the written mandates by the said Campaign Teams and submit them to PPS.
- (3) The pairs of candidates and members of the community through the pairs of candidates' witnesses who are present may file objection against the votes counting by PPS in the event of matters contradictory to the prevailing laws and regulations.
- (4) In case of an objection filed by the pairs of candidates' witnesses or members of the community as referred to in paragraph (3) is acceptable, PPS shall correct the votes counting at once.
- (5) Upon recapitulation of the result of votes counting in all polling stations across the jurisdiction of the villages/village units, PPS shall make minutes and certificate of recapitulation of the votes counting result signed by the chairperson and at least 2 (two) PPS members and signed by the pairs of candidates' witnesses.
- (6) PPS shall give 1 (one) set of minutes and certificate of votes counting result in PPS to the pairs of candidates' witnesses who are present, and post a certificate of votes counting result in a public place.
- (7) PPS shall give 1(one) set of minutes, certificate of votes counting recapitulation result in PPS to the local PPK.

#### **Article 98**

- (1) Upon receiving the minutes and votes counting result certificate, PPK shall make minutes of receipt and recapitulate the number of votes for the sub-district level. Such may be attended by the witnesses of the pairs of candidates, supervision committee, monitoring teams, and members of the community
- (2) The pairs of candidates' witnesses must show the written mandates by the said Campaign Teams and submit them to PPK.
- (3) The pairs of candidates and members of the community through the pairs of candidates' witnesses who are present may file objection against the votes counting by PPK in the event of matters contradictory to the prevailing laws and regulations.
- (4) In case of an objection filed by the pairs of candidates' witnesses or members of the community as referred to in paragraph (3) is acceptable, PPK shall correct the votes counting at once.
- (5) Upon recapitulation of the result of votes counting in all polling stations across the jurisdiction of the villages/village units, PPK shall make minutes and certificate of recapitulation of the votes counting result signed by the chairperson and at least 2 (two) PPK members and signed by the pairs of candidates' witnesses.
- (6) PPK shall give 1 (one) set of minutes and certificate of votes counting result in PPK to the pairs of candidates' witnesses who are present, and post a certificate of votes counting result in a public place.
- (7) PPK shall give 1(one) set of minutes, certificate of votes counting recapitulation result in PPK to the district/city KPU.

#### **Article 99**

- (1) Upon receiving the minutes and votes counting result certificate, district/city KPU shall make minutes of receipt and recapitulate the number of votes for the district/city level. Such may be attended by the witnesses of pairs of candidates, supervision committee, monitoring teams, and members of the community
- (2) The pairs of candidates' witnesses must show the written mandates by the said Campaign Teams and submit them to the district/city KPU.
- (3) The pairs of candidates and members of the community through the pairs of candidates' witnesses who are present may file objection against the votes counting by the district/city KPU in the event of matters contradictory to the prevailing laws and regulations.
- (4) In case of an objection filed by the pairs of candidates' witnesses or members of the community as referred to in paragraph (3) is acceptable, the district/city KPU shall correct the votes counting at once.
- (5) Upon recapitulation of the result of votes counting in all polling stations across the jurisdiction of the sub-districts, the district/city KPU shall make minutes and certificate of recapitulation of the votes counting result signed by the chairperson and at least 2 (two) district/city KPU members and signed by the pairs of candidates' witnesses.
- (6) The district/city KPU shall give 1 (one) set of minutes and certificate of votes counting result to the pairs of candidates' witnesses who are present, and post a certificate of votes counting result in a public place.
- (7) The district/city KPU shall give 1(one) set of minutes, certificate of votes counting recapitulation result in the district/city KPU to the provincial KPU.

#### **Article 100**

- (1) In the event that the election of regional head and deputy regional head for a district/city, the minutes and recapitulation of the votes counting result shall be further decided in the Plenary Session of district/city KPU to determine the elected pair of candidates.

- (2) The determining of the elected pair of candidates as referred to in paragraph (1) shall be notified to the district/city DPRD to be followed up with the legalization and appointment according to the prevailing laws and regulations.

#### **Article 101**

- (1) Upon receiving the minutes and votes counting result certificate, the provincial KPU shall make minutes of receipt and recapitulate the number of votes for the provincial level. Such may be attended by the witnesses of pairs of candidates, supervision committee, monitoring teams, and members of the community
- (2) The pairs of candidates' witnesses must show the written mandates by the said Campaign Teams and submit them to the provincial KPU.
- (3) The pairs of candidates and members of the community through the pairs of candidates' witnesses who are present may file objection against the votes counting by the provincial KPU in the event of matters contradictory to the prevailing laws and regulations.
- (4) In case of an objection filed by the pairs of candidates' witnesses or members of the community as referred to in paragraph (3) is acceptable, the district/city KPU shall correct the votes counting at once.
- (5) Upon recapitulation of the result of votes counting in all polling stations across the jurisdiction of the district/cities, the provincial KPU shall make minutes and certificate of recapitulation of the votes counting result signed by the chairperson and at least 2 (two) provincial KPU members and signed by the pairs of candidates' witnesses.
- (6) The provincial KPU shall give 1 (one) set of minutes and certificate of votes counting result to the pairs of candidates' witnesses who are present, and post a certificate of votes counting result in a public place.

#### **Article 102**

- (1) The minutes and recapitulation of the votes counting result as referred to Article 101 paragraph (5) shall be further decided in the Plenary Session of provincial KPU to determine the elected pair of candidates.
- (2) The determining of the elected pair of candidates as referred to in paragraph (1) shall be notified to the provincial DPRD to be followed up with the legalization and appointment according to the prevailing laws and regulations.

#### **Article 103**

- (1) The recounting of votes in the polling stations shall be administered if from the result of verification and inspection there are evidently one or more deviations as follows:
  - a. The votes counting is conducted in secret;
  - b. The votes counting is conducted in a not well-lit place;
  - c. The pairs of candidates' witnesses, supervision committee, monitoring team, and members of the community are unable to see the votes counting clearly;
  - d. The votes counting is done in other place beyond the place and time as determined; and/or
  - e. There is no consistency in determining the legitimate ballots from those not legitimate.
- (2) The recounting of ballots shall be done at the PPS level in case of difference of number of votes data at the polling stations.
- (3) The recounting of ballots shall be done at the PPK level in case of difference of number of votes data at the PPS.
- (4) In the event of discrepancy of the votes number data at the level of district/city KPU and provincial KPU, a double check must be carried out against the certificate of votes counting result recapitulation at 1 (one) level below it.

#### **Article 104**

- (1) The ballot casting in the polling stations may be repeated in the event of a riot that makes the result of ballot casting useless or the votes counting impossible to do.
- (2) The ballot casting in the polling stations may be repeated in the event the result of verification and inspection by the Sub-district Supervision Committee proves one or more of the following conditions:
  - a. The opening of the boxes and/or documents of ballot casting and votes counting is not carried out according to the procedure as set forth in the prevailing laws and regulations;
  - b. The KPPS officers ask the voters to give any special mark, sign or write down any name and address on the votes used;
  - c. There is more than one voter who has used his right more than once in the same or different polling station;
  - d. The KPPS officers deliberately damage more than one ballot used by the voters making it not valid; and/or
  - e. More than one unregistered voter is allowed to cast ballots in a polling station.

#### **Article 105**

The votes counting and repeat ballot casting as referred to in Article 103 and Article 104 shall be determined by PPK and carried out not later than 7 (seven) days after the votes counting.

#### **Article 106**

- (1) The objection to the announced result of the regional head and deputy regional head election may be filed only by the pairs of candidates to the Supreme Court at the latest 3 (three) days after the determining of the result of the regional head and deputy regional head election.
- (2) The objection as referred to in paragraph (1) shall only concern the result of votes counting that affects the election of the pair of candidates.
- (3) The complaint filed to the Supreme Court as referred to in paragraph (1) shall be submitted to the high court for the regional head and deputy regional head election of a province, and to the district court for the regional head and deputy regional head election of a district/city.
- (4) The Supreme Court shall resolve the votes counting result dispute as referred to in paragraph (1) and paragraph (2) at the latest 14 (fourteen) days since the date of receipt of the complaint by the District Court/High Court/Supreme Court.
- (5) The decision from the Supreme Court as referred to in paragraph (4) shall be final and binding.
- (6) The Supreme Court in exercising its authorities as referred to in paragraph (1) may delegate the power to resolve the votes counting result dispute to the High Court for the regional head and deputy regional head election of a district/city.
- (7) The decision from the High Court as referred to in paragraph (6) shall be final and binding.

#### **Section Five**

#### **Determining and Installing the Elected Candidates**

#### **Article 107**

- (1) The pair of candidates of regional head and deputy regional head who earn more than 50% (fifty percent) of legitimate votes shall be determined as the elected pair of candidates.

- (2) If the provisions as referred to in paragraph (1) are not met, the pair of candidates of regional head and deputy regional head who earn more than 25%(twenty five percent) of legitimate votes, the pair of candidates with the largest votes shall be determined as the elected pair of candidates.
- (3) In the event that the pair of candidates whose votes earning is the largest as referred to in paragraph (2) comprise more than one pair whose votes are equal, the determining of the elected pair of candidates shall be made based on the votes earning region which is broader.
- (4) In case the provisions as referred to in paragraph (2) are not met, or no pair earns 25% (twenty five percent) of legitimate votes, a second phase election shall be conducted participated by the first winner and second winner.
- (5) If there are two pairs of candidates as the first winners as referred to in paragraph (4), both pairs of candidates shall be entitled to take part in the second-phase election.
- (6) If there are three pairs or more as the first winners as referred to in paragraph (4), the first and second rank shall be determined based on the votes earning region that is broader.
- (7) If there are more than one pair as the second winners as referred to in paragraph (4), the first and second rank shall be determined based on the votes earning region which is broader.
- (8) The pair of candidates who earn the largest votes in the second phase shall be declared as the elected pair of candidates.

#### **Article 108**

- (1) In the event that the elected candidate of the deputy regional head is permanently prevented, the elected candidate of the regional head shall be installed as the regional head.
- (2) The regional head as referred to in paragraph (1) shall nominate two candidates of deputy regional head to DPRD to be elected.
- (3) In the event that the elected candidate of the regional head is permanently prevented, the elected candidate of the regional head shall be installed as the regional head.
- (4) The regional head as referred to in paragraph (3) shall nominate two candidates of deputy regional head to DPRD to be elected.
- (5) In case the elected pair of candidates are permanently prevented, the political parties or combined political parties of which their pairs of candidates earn the first and second largest votes shall nominates pairs of candidates to DPRD to be elected as regional head and deputy regional head at the latest 60 (sixty) days.
- (6) To elect the regional head and deputy regional head as referred to in paragraph (2) and paragraph (4), its election must take place not later than 60 (sixty) days.

#### **Article 109**

- (1) The legalization of the installation of the pair of candidates as the elected Governor and Deputy Governor shall be carried out by the President at the latest within 30 (thirty) days.
- (2) The legalization of the installation of the pair of candidates as the elected District Head and Deputy District Head or Mayor and Deputy Mayor shall be carried out by the Minister of Home Affairs at the latest within 30 (thirty) days.
- (3) The pair of candidates as the elected Governor and Deputy Governor shall be proposed by the provincial DPRD, at the latest within 3 (three) days to the President via the Minister of Home Affairs based on the minutes of determining the elected pair of candidates from the provincial KPU to obtain legalization of installation.
- (4) The pair of candidates for district head or deputy regional candidate or mayor and deputy mayor shall be proposed by the district/city DPRD, at the latest within 3 (three) days to the Minister of Home Affairs via the Governor based on the minutes of

determining the elected pair of candidates from the district/city KPU to obtain legalization of installation.

#### **Article 110**

- (1) The regional head and deputy regional head prior to assuming their positions shall be installed by declaring their oaths/pledge as guided by the officer installing them.
- (2) The oath/pledge of the regional head and deputy regional head as referred to in paragraph (1) shall be as follows:  
“In the name of God, I pledge that I shall fulfill my obligations as the regional head and deputy regional head consciously and fairly, uphold the 1945 Constitution and fully execute all laws and regulations and serve the public, the state and nation.”

#### **Article 111**

- (1) The Governor and Deputy Governor shall be installed by the Minister of Home Affairs on behalf of the President.
- (2) The District Head and Deputy District Head or Mayor and Deputy Mayor shall be installed by the Governor on behalf of the President.
- (3) The installation as referred to in paragraph (1) and paragraph (2) shall be take place during the Plenary Session of DPRD.
- (4) The procedure of installation and further arrangement shall be provided in a Government Regulation.

#### **Article 112**

The costs for the regional head and deputy regional head election shall be charged to the Regional Budget.

#### **Section Six**

#### **Monitoring of the Regional Head and Deputy Regional Head Election**

#### **Article 113**

- (1) The monitoring of the regional head and deputy regional head election may be performed by the election monitoring teams made up of domestic non-government organizations and legal entities.
- (2) The election monitoring teams as referred to in paragraph (2) must be:
  - a. Independent;
  - b. Own clear funding sources.
- (3) The election monitoring teams as referred to in paragraph (1) and paragraph (2) must be registered at and obtained accreditation from KPUD.

#### **Article 114**

- (1) The election monitoring teams must submit the report of the monitoring results to KPUD at the latest 7 (seven) days after the installation of the regional head and deputy regional head elected.
- (2) The election monitoring teams must abide by all prevailing laws and regulations.
- (3) The election monitoring teams that fail to meet their obligations as referred to in paragraph (2) and/or no longer meet the requirements as referred to in Article 113, their right as the election monitoring teams shall be annulled and/or imposed with a penalty according to the prevailing laws and regulations.
- (4) The procedure to serve as the election monitoring teams and election monitoring as well as the nullifying the right as the monitoring teams shall be provided in a Government Regulation.

**Section Seven**  
**Criminal Provisions on the Election of Regional Head and Deputy Regional Head**  
**Article 115**

- (1) Any person who deliberately gives false information about himself or another person concerning any matter required to fill out the list of voters shall be subject to imprisonment of minimum 15 (fifteen) days and maximum 3 (three) months and/or penalty of at least Rp 100,000 (one hundred thousand rupiah) and Rp 1,000,000 (one million rupiah) at the most.
- (2) Any person who has deliberately caused another person lose his voting right and the person losing his voting right files a complaint shall be subject to imprisonment of minimum 1 (one) month and maximum 6 (six) months and/or penalty of at least Rp 200,000 (two hundred thousand rupiah) and Rp 2,000,000 (two million rupiah) at the most.
- (3) Any person who has deliberately falsified a document, that according to a provision of this Law, is required to perform an action for his own use or another person's use as if such document were valid or not falsified, is subject to imprisonment of minimum 3 (three) months and maximum 18 (eighteen) months and/or penalty of at least Rp 600,000 (six hundred thousand rupiah) and Rp 6,000,000 (six million rupiah) at the most.
- (4) Any person who has deliberately and is aware that a document as referred to in paragraph (3) is not valid or falsified, use it, or made another person to use is as a valid document is subject to imprisonment of minimum 3 (three) months and maximum 18 (eighteen) months and/or penalty of at least Rp 600,000 (six hundred thousand rupiah) and Rp 6,000,000 (six million rupiah) at the most.
- (5) Any person who has violently or threatened with the power attached to him during the registration of voters by impeding any person to be registered as a voter for the election of regional head pursuant to this law is subject to imprisonment of minimum 3 (three) months and maximum 18 (eighteen) months and/or penalty of at least Rp 600,000 (six hundred thousand rupiah) and Rp 6,000,000 (six million rupiah) at the most.
- (6) Any person who has deliberately given false information or used falsified document as if it were authentic concerning a prerequisite for a pair of candidates of regional head/deputy regional head is subject to imprisonment of minimum 3 (three) months and maximum 18 (eighteen) months and/or penalty of at least Rp 600,000 (six hundred thousand rupiah) and Rp 6,000,000 (six million rupiah) at the most.

**Article 116**

- (1) Any person who has deliberately conducted a campaign outside the schedule as determined by KPUD for the respective pairs of candidates as referred to Article 75 paragraph (2) is subject to imprisonment of minimum 15 (fifteen) days and maximum 3 (three) months and/or penalty of at least Rp 100,000 (one hundred thousand rupiah) and Rp 1,000,000 (one million rupiah) at the most.
- (2) Any person who has deliberately breached the provisions of the prohibition of conducting any campaign as referred to Article 78 point a, point b, point c, point d, point e, and point f is subject to imprisonment of minimum 3 (three) months and maximum 18 (eighteen) months and/or penalty of at least Rp 600,000 (six hundred thousand rupiah) and Rp 6,000,000 (six million rupiah) at the most.
- (3) Any person who has deliberately breached the provisions of the regional head and deputy regional head election as referred to Article 78 point g, point h, point i, point j, and Article 79 paragraph (1), paragraph (3), and paragraph (4) is subject to imprisonment of minimum 1 (one) month and maximum 6 (six) months and/or penalty of at least Rp 100,000 (one hundred thousand rupiah) and Rp 1,000,000 (one million rupiah) at the most.

- (4) Any state official, structural and functional government official and village chief who has deliberately breached the provisions as referred to Article 83 is subject to imprisonment of minimum 1 (one) months and maximum 6 (six) months and/or penalty of at least Rp 600,000 (six hundred thousand rupiah) and Rp 6,000,000 (six million rupiah) at the most.
- (5) Any person who has deliberately disrupted, impeded, or disturbed the campaign is subject to imprisonment of minimum 1 (one) months and maximum 6 (six) months and/or penalty of at least Rp 600,000 (six hundred thousand rupiah) and Rp 6,000,000 (six million rupiah) at the most.
- (6) Any person who has given or accepted campaign fund exceeding the set limit as referred to Article 83 paragraph (3) is subject to imprisonment of minimum 4 (four) months and maximum 24 (twenty four) months and/or penalty of at least Rp 200,000,000 (two hundred million rupiah) and Rp 1,000,000,000 (one billion rupiah) at the most.
- (7) Any person who has deliberately accepted or given campaign funds from or to the prohibited parties as referred to Article 85 paragraph (1) and/or fails to meet the obligations as referred to Article 85 paragraph (2) is subject to imprisonment of minimum 4 (four) months and maximum 24 (twenty four) months and/or penalty of at least Rp 200,000,000 (two hundred million rupiah) and Rp 1,000,000,000 (one billion rupiah) at the most.
- (8) Any person who has deliberately given inaccurate information in the campaign fund reports as obligated by this Law is subject to imprisonment of minimum 2 (two) months and maximum 12 (twelve) months and/or penalty of at least Rp 1,000,000 (one million rupiah) and Rp 10,000,000 (ten million rupiah) at the most.

#### **Article 117**

- (1) Any person who has deliberately resorted to violence or threatened to use violence and impeded anybody from exercising his right to elect is subject to imprisonment of minimum 2 (two) months and maximum 12 (twelve) months and/or penalty of at least Rp 1,000,000 (one million rupiah) and Rp 10,000,000 (ten million rupiah) at the most.
- (2) Any person who has deliberately given or promised money or other materials to a person so that he does not use his voting right, or elect certain pair of candidates, or used his right in such a way that the ballot becomes invalid is subject to imprisonment of minimum 2 (two) months and maximum 12 (twelve) months and/or penalty of at least Rp 1,000,000 (one million rupiah) and Rp 10,000,000 (ten million rupiah) at the most.
- (3) Any person who during the ballot casting has deliberately claimed himself as another person to use his voting right is subject to 15 (fifteen) days and maximum 60 (sixty) days and/or penalty of at least Rp 100,000 (one hundred thousand rupiah) and Rp 1,000,000 (one million rupiah) at the most.
- (4) Any person who during the ballot casting has deliberately casting the ballot more than once in the same or different polling stations is subject to 1 (one) month and maximum 4 (four) months and/or penalty of at least Rp 200,000 (two hundred thousand rupiah) and Rp 2,000,000 (two million rupiah) at the most.
- (5) Any person who has deliberately caused the ballot casting to fail is subject to imprisonment of minimum 6 (six) months and maximum 3 (three) years and/or penalty of at least Rp 1,000,000 (one million rupiah) and Rp 10,000,000 (ten million rupiah) at the most.
- (6) An employer or superior who does not give the opportunity to a worker to cast his ballot, except with a reason that the work must be continuously attended is subject to imprisonment of minimum 2 (two) months and maximum 12 (twelve) months and/or penalty of at least Rp 1,000,000 (one million rupiah) and Rp 10,000,000 (ten million rupiah) at the most.
- (7) Any person who during the ballot casting has deliberately accompanied a voter except for reasons as referred to in Article 89 paragraph (1) is subject to imprisonment of



minimum 2 (two) months and maximum 12 (twelve) months and/or penalty of at least Rp 1,000,000 (one million rupiah) and Rp 10,000,000 (ten million rupiah) at the most.

- (8) Any person who is assigned to assist a voter as referred to Article 89 paragraph (2) and has deliberately informed the choice of the voter to the other person is subject to imprisonment of minimum 2 (two) months and maximum 12 (twelve) months and/or penalty of at least Rp 1,000,000 (one million rupiah) and Rp 10,000,000 (ten million rupiah) at the most.

#### **Article 118**

- (1) Any person who has deliberately committed an action that makes the voter's ballot worthless or makes certain pair of candidates earn additional votes or decreases the votes earned is subject to imprisonment of minimum 2 (two) months and maximum 1 (one) year and/or penalty of at least Rp 1,000,000 (one million rupiah) and Rp 10,000,000 (ten million rupiah) at the most.
- (2) Any person who has deliberately damaged or removed the sealed result of ballot casting is subject to imprisonment of minimum 4 (four) months and maximum 2 (two) years and/or penalty of at least Rp 2,000,000 (two million rupiah) and Rp 20,000,000 (twenty million rupiah) at the most.
- (3) Any person who due to his recklessness has caused the damage and loss of the sealed result of the ballot casting is be subject to imprisonment of minimum 15 (fifteen) days and maximum 2 (two) months and/or penalty of at least Rp 100,000 (one hundred thousand rupiah) and Rp 1,000,000 (one million rupiah) at the most.
- (4) Any person who has deliberately tampered the result of votes counting and/or minutes and certificate of votes counting result is subject to imprisonment of minimum 6 (six) months and maximum 3 (three) years and/or penalty of at least Rp 100,000,000 (one hundred million rupiah) and Rp 1,000,000,000 (one billion rupiah) at the most.

#### **Article 119**

If the organizer or a pair of candidate deliberately commits a crime, the penalty shall be added with 1/3 (one third) of the punishment as provided in Article 115, Article 116, Article 117, and Article 118.

### **Section Nine Regional Apparatus Article 120**

- (1) The regional apparatus in a province shall consist of regional secretariat, DPRD secretariat, regional services and regional technical institutions.
- (2) The regional apparatus in a district/city shall consist of regional secretariat, DPRD secretariat, regional services and regional technical institutions, sub-districts and village units.

#### **Article 121**

- (1) The regional secretariat shall be chaired by a Regional Secretariat.
- (2) The regional secretariat as referred to in paragraph (1) have the duties and obligations to assist the regional head in formulating the policies and coordinating the regional services and regional technical institutions.
- (3) In carrying out the duties and obligations as referred to in paragraph (2), the regional secretary shall report to the regional head.
- (4) In case the regional secretary is prevented from performing his duties, an officer shall be assigned by the regional head to perform the duties.

## **Article 122**

- (1) The Regional Secretary shall be appointed out of the civil government employee who meets the qualification.
- (2) The Regional Secretary as referred to in paragraph (1) for the province shall be appointed and terminated by the President upon recommendation of the Governor according to the prevailing laws and regulations.
- (3) The Regional Secretary as referred to in paragraph (1) for the district/city shall be appointed and terminated by the Governor upon recommendation of the district head/mayor according to the prevailing laws and regulations.
- (4) The Regional Secretary due his position serves as the supervisor of civil government employees in the region.

## **Article 123**

- (1) The DPRD Secretariat shall be chaired by DPRD Secretariat.
- (2) The DPRD Secretariat as referred to in paragraph (1) shall be appointed and terminated by the Governor/ District Head/Mayor with the approval from DPRD.
- (3) DPRD Secretariat has the duties as follows:
  - a. Run the administration of DPRD secretariat;
  - b. Run the DPRD financial administration;
  - c. Support the execution of duties and role of DPRD; and
  - d. Provide and coordinate expert staff as required by DPRD to execute its role according to the regional financial ability.
- (4) The DPRD Secretariat in providing the expert staff as referred to in paragraph (3) point d must consult DPRD Speaker.
- (5) The DPRD Secretariat in carrying out its technical and operational duties shall be under and report to the DPRD Speaker and administratively accountable to the regional head through the Regional Secretary.
- (6) The organizational structure of DPRD Secretariat shall be determined in the regional regulation pursuant to the Government Regulations.

## **Article 124**

- (1) The regional services is an executing element of the regional autonomy.
- (2) The regional services shall be chaired by the heads of services. They shall be appointed and terminated by the regional head from the existing civil government employees who meet the qualification upon the recommendation of the Regional Secretary.
- (3) The heads of regional services shall report to the regional head through the Regional Secretary.

## **Article 125**

- (1) The regional technical institutions are the elements that support the duties of the regional head in formulating and executing the regional policies that are specific and they may comprise institutions, offices, or regional general hospitals.
- (2) The institutions, offices, or regional general hospitals as referred to in paragraph (1) shall be chaired by the heads of institutions, heads of offices, or heads of regional general hospitals. They are appointed by the regional head from the existing civil government employees who meet the qualifications upon the recommendations from the Regional Secretary.
- (3) The heads of institutions, heads of offices, or heads of regional general hospitals as referred to in paragraph (2) shall report to the regional head through the Regional Secretary.

## **Article 126**

- (1) Sub-districts shall be formed within a district/city pursuant to the Regional Regulation in compliance to the Government Regulation.
- (2) The sub-district as referred to in paragraph (1) shall be led by a sub-district head who in carrying out his duties shall be delegated with parts of the authorities of the district head or mayor to handle parts of the regional autonomy affairs.
- (3) Apart from the duties as referred to in paragraph (2), the sub-district head shall also perform general government affairs that include:
  - a. Coordinate the public empowerment activities;
  - b. Coordinate the efforts to ensure peace and public order;
  - c. Coordinate the application and upholding of laws and regulations;
  - d. Coordinate the maintenance of public service means and facilities;
  - e. Coordinate the running of government activities at the sub-district level;
  - f. Supervise the village and/or village unit administration;
  - g. Provide public services under his scope of duties and/or those that have not been implemented by the village or village unit administration.
- (4) The sub-district head as referred to in paragraph (2) shall be appointed by the District Head/Mayor upon the recommendation from the regional secretary of the district/city from the existing civil government employees who have a mastery of technical knowledge of government affairs and meet the qualification according to the prevailing laws and regulations.
- (5) The sub-district in carrying out his duties as referred to in paragraph (2) and paragraph (3) shall be assisted by the sub-district apparatus and report to the District Head/Mayor through the Regional Secretary of a district/city.
- (6) The sub-district apparatus as referred to in paragraph (5) shall report to the sub-district head.
- (7) The implementation of the provisions as referred to in paragraph (2), paragraph (3), paragraph (4), paragraph (5), and paragraph (6) shall be stipulated with the district head's or mayor's regulation in compliance to the Government Regulations.

## **Article 127**

- (1) The village unit shall be formed within the sub-district territory with a Regional Regulation in compliance to the Government Regulation.
- (2) The village unit as referred to in paragraph (1) shall be led by a village chief who in carrying out his duties shall receive delegation from the District Head/Mayor.
- (3) In addition to the duties as referred to in paragraph (2), the village chief shall have the following duties:
  - a. Carry out the village administration activities;
  - b. Empower the public;
  - c. Provide public services;
  - d. Ensure peace and public order; and
  - e. Maintain the public service means and facilities.
- (4) The village chief as referred to in paragraph (2) shall be appointed by the District Head/Mayor upon the recommendation from the Sub-district head from the existing government employees who has a technical mastery of government affairs and meet the qualification in compliance to the prevailing laws and regulations.
- (5) In carrying out the duties as referred to in paragraph (3), the Village Chief shall report to the District Head/Mayor through the Sub-district Head.
- (6) The Village Chief in carrying out his duties as referred to in paragraph (3) shall be assisted by the village unit apparatus.
- (7) The village unit apparatus as referred to in paragraph (6) shall report to the Village Chief.

- (8) To ensure smooth execution of the duties, the village chief as referred to in paragraph (3) may set up another institution in accordance with the need as determined in the Regional Regulation.
- (9) The execution of the provisions as referred to in paragraph (2), paragraph (3), paragraph (4), paragraph (5), paragraph (6), and paragraph (7) shall be stipulated with a regulation of the district head and mayor in compliance to the prevailing laws and regulations.

#### **Article 128**

- (1) The structure of the regional apparatus organization as referred to Article 120 paragraph (1) and paragraph (2) shall be stipulated in a Regional Regulation in view of certain factors and in compliance to the Government Regulation.
- (2) Control of the regional apparatus organization as referred to in paragraph (1) shall be carried out by the Central Government for a province and by Governor for the district/city in compliance to the Government Regulation.
- (3) The formation and requirements of regional apparatus positions as referred to in Article 120 paragraph (1) and paragraph (2) shall be stipulated with the Regulation of the District Head in compliance to the Government Regulations.

### **CHAPTER V REGIONAL MANPOWER Article 129**

- (1) The Central Government shall enhance and supervise the management of regional civil government employees through an integrated and nationwide management of civil government employees.
- (2) The management of regional civil government employees as referred to in paragraph (1) shall include the formation, procurement, appointment, relocation, termination, pension scheme, salaries, allowances, welfare, rights and obligations, legal status, career development and control of number.

#### **Article 130**

- (1) The appointment, relocation, termination from and within the second echelon positions in a regional government of a province shall be stipulated by the Governor.
- (2) The appointment, relocation, termination from and within the second echelon positions in a regional government of a district/city shall be stipulated by the District Head/Mayor upon consulting the Governor.

#### **Article 131**

- (1) The relocation of civil government employees inter districts/cities within the same province shall be stipulated by the Governor upon consulting the Head of State Employee Agency.
- (2) The relocation of civil government employees inter districts/cities inter provinces, and inter-provinces shall be stipulated by the Minister of Home Affairs upon consulting the Head of State Employee Agency.
- (3) The relocation of provincial/district/city civil government employees to ministries/non-ministry government institutions or vice versa shall be stipulated by the Minister of Home Affairs upon consulting the Head of State Employee Agency.

#### **Article 132**

The formation of civil government employees of a province/district/city of each budget year shall be carried out by the Minister of State Apparatus Utilization upon the recommendation from the Governor.

#### **Article 133**

The career development of the regional civil government employees shall take into account the integrity and morality, education and training, ranks, job transfer, inter-region transfer and competence.

#### **Article 134**

- (1) The salaries and allowances of regional civil government employees shall be charged to the Regional Budget originating from the basic allocation in the general allocation funds.
- (2) The calculation and adjustment of the basic allocation amount as referred to in paragraph (1) due to the appointment, termination, and relocation of regional civil government employees shall be carried out annually.
- (3) The calculation of the basic allocation as referred to in paragraph (1) and paragraph (2) shall be provided in the Law on Fiscal Balance between the Central Government and Regional Administration.
- (4) The Central Government shall update the data of appointments, terminations, and relocations of regional civil government employees to calculate and adjust the basic allocation as referred to in paragraph (3).

#### **Article 135**

- (1) The enhancement and supervision of the regional civil government employee management shall be coordinated at the national level by the Minister of Home Affairs, and at the regional level by the Governor.
- (2) The standards, norms and procedures of the enhancement and supervision of the regional civil government employee management shall be further regulated with a Government Regulation.

### **CHAPTER VI**

#### **REGIONAL REGULATIONS AND REGULATIONS OF THE REGIONAL HEADS**

#### **Article 136**

- (1) The Regional Regulations shall be stipulated by the regional heads upon having obtained a joint approval with DPRD.
- (2) The Regional Regulations shall be drafted and enacted to run the regional autonomy in the provinces/districts/ cities and to assume assistance.
- (3) The Regional Regulations as referred to in paragraph (1) serve as further outline of the laws and regulations that have higher legal status and take into account the unique characteristics of the respective regions.
- (4) The Regional Regulations as referred to in paragraph (1) must not contradict the public interests and/or laws and regulations that have higher legal status.
- (5) Regional Regulations as referred to paragraph (1) shall take into effect upon their enactment in the regional gazettes.

#### **Article 137**

Regional Regulations are drafted according to the principles of drafting the laws and regulations comprising:

- a. Clarity of goals;

- b. Appropriate forming institutions or organs;
- c. Conformity of type and content of materials;
- d. Enforceability;
- e. Efficiency and effectiveness;
- f. Clarity of formulation; and
- g. Transparency

#### **Article 138**

- (1) The content materials of Regional Regulations contain the principles of:
  - a. Protection and Safeguarding;
  - b. Humanities;
  - c. Nationality;
  - d. Fellowship;
  - e. Indonesian concept;
  - f. Diversity in unity;
  - g. Fairness;
  - h. Equality in the legal standing and governance;
  - i. Public order and legal certainty; and/or
  - j. Balance, harmony and conformity.
- (2) Apart from the principle as referred to paragraph (1), the Regional Regulations may contain other principles according to the substance of the said Regional Regulations.

#### **Article 139**

- (1) The public shall reserve the right to provide oral and written inputs in respect to the preparation and discussion of the draft Regional Regulations.
- (2) The preparation for the formation, discussion, and legalization of draft Regional Regulations shall be in compliance to the laws and regulations.

#### **Article 140**

- (1) The draft Regional Regulations may originate from DPRD, the Governor, or District Head/Mayor.
- (2) If during one session period, DPRD, Governor or District Head/Mayor submit draft Regional Regulations with the same material contents, the draft to be discussed is the one submitted by DPRD, while the draft Regional Regulations from the Governor or District Head/Mayor shall be used as comparative materials.
- (3) The procedure to prepare the draft Regional Regulations originating from the Governor or District Head/Mayor shall be regulated in a President Decree.

#### **Article 141**

- (1) The draft Regional Regulations submitted by the members, commissions, combined commissions or DPRD components in charge of legislation affairs.
- (2) Further regulations regarding the procedure to prepare the draft Regional Regulations as referred to paragraph (1) shall be regulated in the DPRD Rules.

#### **Article 142**

- (1) The dissemination of draft Regional Regulations submitted by DPRD shall be carried out by DPRD secretariat.

- (2) The dissemination of draft Regional Regulations originating from the Governor or District Head/Mayor shall be carried out by the regional secretary.

#### **Article 143**

- (1) A regulation may contain the provisions on the imposing money to coerce law enforcement, entirely or partly on the person breaching it in compliance to the prevailing laws and regulations.
- (2) The regional regulations may contain imprisonment penalty of maximum 6 (six) months or penalty of maximum Rp. 50,000,000 (fifty million rupiah).
- (3) The regional regulations may contain criminal punishment or penalty apart from the ones as referred to paragraph (2) according to those provided in the other laws and regulations.

#### **Article 144**

- (1) The draft Regional Regulation jointly approved by DPRD and the Governor or District Head/Mayor shall be submitted to by DPRD Speaker to the Governor or District Head/Mayor to be enacted as the Regional Regulation.
- (2) The submission of draft Regional Regulation as referred to in paragraph (1) shall be done not later than 7 (seven) days as from the date of joint approval.
- (3) The draft Regional Regulation as referred to in paragraph (1) and paragraph (2) shall be stipulated by the Governor or District Head/Mayor not later than 30 (thirty) days as from the date when the draft is jointly approved.
- (4) In the event that the draft Regional Regulation is not stipulated by the Governor or District Head/Mayor within the time frame as referred in paragraph (3), such draft Regional Regulation shall take into effect as a Regional Regulation and must be enacted by promulgating it in the regional gazette.
- (5) To make the draft Regional Regulation effective as referred to in paragraph (4), the legalization phrase shall read: "This Regional Regulation is declared valid" by putting its validity date.
- (6) The legalization phrase as referred to paragraph (5) must be put on the last page of the Regional Regulation prior to its enactment in the regional gazette.

#### **Article 145**

- (1) The Regional Regulation shall be submitted to the Government not later than 7 (seven) days after its enactment.
- (2) Any Regional Regulations as referred to paragraph (1) that contradict the public interests and/or laws and regulations with higher legal status may be annulled by the Central Government.
- (3) The decisions to annul the Regional Regulations as referred to paragraph (2) shall be stipulated with a Presidential Decree not later than 60 (sixty) days since the Regional Regulation is received as referred to in paragraph (1).
- (4) Within maximum 7 (seven) days after the decision to annul the Regional Regulations as referred to paragraph (3) the regional Head must discontinue the execution of such Regional Regulations, and further DPRD along with the regional head shall nullify the said Regional Regulation.
- (5) If the province/district/city cannot accept the decision to annul the Regional Regulation as referred to paragraph (3) with the arguments justified by the laws and regulations, the regional head may file an objection to the Supreme Court.
- (6) In case the objection as referred to paragraph (5) is partially or entirely granted, the Supreme Court shall declare that the Presidential Decree is annulled and lacks legal effect.

- (7) In the event that Central Government does not issue a Presidential Decree to nullify the Regional Regulations as referred to paragraph (3), the said Regional Regulations shall be declared effective.

#### **Article 146**

- (1) To implement the Regional Regulations and over the power of the laws and regulations, the regional head shall stipulate the regional head's regulation and or regional head's decree.
- (2) The regional head's regulation and or regional head's decree as referred to paragraph (1) must not contradict the public interests, Regional Regulations, and laws and regulations that have a higher legal status.

#### **Article 147**

- (1) Regional Regulations shall be enacted in the Regional Gazettes and Regulations of Regional Heads in the Regional Bulletins.
- (2) The Regional Secretaries shall promulgate the Regional Regulations in the Regional Gazettes and Regulations of Regional Heads in the Regional Bulletins.
- (3) The regional administration must disseminate the Regional Regulations already enacted in the Regional Gazettes and Regulations of Regional Heads already enacted in the Regional Bulletins.

#### **Article 148**

- (1) To assist the regional heads in upholding the Regional Regulations and ensuring public order and peace, the regional administration shall set up a Civil Service Police Unit.
- (2) The formation and structure of the Civil Service Police Unit as referred to paragraph (1) shall be in compliance to the Government Regulations.

#### **Article 149**

- (1) The Civil Service Police Unit may be appointed as the civil government employee investigator according to the provisions of laws and regulations.
- (2) The investigators and general prosecutors shall investigate and prosecute any breaches of the provisions of the Regional Regulations in compliance to laws and regulations.
- (3) Through Regional Regulations, other officials may be appointed and assigned with the duties to investigate the breaches over the provisions of Regional Regulations.

### **CHAPTER VII PLANNING OF REGIONAL DEVELOPMENT Article 150**

- (1) With respect to the running of regional administration, regional development planning shall be prepared in an integrated fashion with the national development planning.
- (2) The regional development planning as referred to paragraph (1) shall be prepared by the regional administration in a province, district/city according to their authorities as carried out by the Regional Development Planning Agency.
- (3) The regional development planning as referred to paragraph (2) shall be prepared in stages comprising:
  - a. The regional long-term development planning (shortened into regional RPJP) for the period of 20 (twenty) years containing the vision, mission, and direction of regional development that refers to the national RPJP.
  - b. The regional medium-term development planning (shortened into regional RPJM) for the period of 5 (five) years constitutes the outline of the vision, mission and



programs of regional heads of which their formulation refers to the regional RPJP in view of the national RPJM.

- c. The regional RPJM as referred to point b shall contain the direction of the regional fiscal policies, regional development strategies, general policies, and the programs of regional apparatus working unit, inter-regional apparatus working units, and regional programs accompanied with the working plans in the frame of regulations and funding frame that is indicative;
- d. The regional development working plans, hereinafter referred to RKPD, is an outline from the regional RPJM for a period of 1 (one) year, that contains the regional economic frame design, regional development priority, working plans and their funding, either directly executed by the regional governments or implemented by encouraging the public participation by referring to the Central Government's working plans.
- e. The regional RPJP and RJMD as referred to paragraph (3) point a and point b shall be stipulated with a Regional Regulation in compliance to the Government Regulation.

#### **Article 151**

- (1) The regional apparatus working units shall formulate the strategic plans hereinafter referred to Renstra-SKPD containing the vision, mission, development goals, strategies, policies, programs and activities that conform to its duties and functions in compliance to the regional RPJM and is indicative.
- (2) Renstra-SKPD as referred to paragraph (1) shall be formulated in the form of working plans of regional apparatus working units containing the development policies, programs and activities that are executed directly by the regional government and implemented by encouraging public participation.

#### **Article 152**

- (1) The regional development planning shall be based on the data and information that is accurate and may be accountable.
- (2) The data and information as referred to paragraph (1) include:
  - a. The administration of regional governments;
  - b. Organization and administration of regional governments;
  - c. Regional heads, DPRD, regional apparatus, and regional civil government employees;
  - d. Regional finance;
  - e. Regional source potentials;
  - f. Regional legal products;
  - g. Demography;
  - h. Regional basic information; and
  - i. Other information related to the regional government administration.
- (3) With respect to the regional government administration to achieve efficiency and effectiveness, data utilization and information as referred to paragraph (2) shall be managed within the integrated regional information system at the national level.

#### **Article 153**

The regional development planning as referred to Article 152 shall be formulated to ensure the relationship and consistency between the planning, budgeting, execution and supervision.

#### **Article 154**

The stages, procedure for formulating, controlling, and evaluation of the regional development plans shall be further regulated with the Government Regulations in compliance to the laws and regulations.

## **CHAPTER VIII REGIONAL FINANCE**

### **Section One**

#### **General**

#### **Article 155**

- (1) The administration of government affairs that are under the regional authorities shall be funded from the regional budget.
- (2) The administration of government affairs that are under the Central Government authorities shall be funded from the state budget.
- (3) The administration of the government affairs funding as referred to paragraph (1) shall be carried out separately from the administration of government affairs funding as referred to in paragraph (2).

#### **Article 156**

- (1) The regional head is the authority holder of regional financial management.
- (2) In carrying out the authority as referred to paragraph (1), the regional head shall delegate part or entire authority comprising the planning, execution, administration, reporting and accountability, as well as regional financial supervision to the regional apparatus officials.
- (3) The delegation of part of entire authorities as referred paragraph (2) shall be based on the principle of separating the authority between those instructing, verifying and accepting/disbursing the money.

### **Section Two**

#### **Revenues, Expenditures and Funding**

#### **Article 157**

The sources of the regional revenues comprise:

- a. Purely regional revenues (hereinafter referred to PAD, are:
  - (1) Regional tax revenue;
  - (2) Regional retribution revenue;
  - (3) Revenue from managing the separated regional assets; and
  - (4) Other legitimate PAD.
- b. balance funds; and
- c. other legitimate revenues;

#### **Article 158**

- (1) The regional taxes and regional retributions shall be stipulated with a Law of which its execution in the region shall be further regulated with a Regional Regulation.
- (2) The regional governments are prohibited from imposing levies or called by any other name apart from those stipulated by the laws.
- (3) The yields from managing the regional assets that have been put aside as referred to in Article 157 point a.3 and other legitimate PAD as referred to Article 157 point a.4 shall be stipulated with a Regional Regulation in compliance to the laws and regulations.

#### **Article 159**

The balance funds as referred to Article 157 point b shall consist of:

- a. The Revenue Sharing Funds
- b. General Allocation Funds; and
- c. Special Allocation Funds.

#### **Article 160**

- (1) The Profit Sharing as referred to Article 159 point a shall originate from taxes and natural resources.
- (2) The Profit Sharing funds originating from the taxes as referred to paragraph (1) consist of:
  - a. Property Tax (PBB) from the rural and urban areas, plantation areas, mines and forestry.
  - b. Land and Building Title Acquisition Fee (BPHTB) from the rural and urban areas, plantation areas, mines and forestry.
  - c. Income Tax (PPH) of Article 21, Article 25, Article 29 for domestic individual tax payers.
- (3) The Profit Sharing Funds originating from natural resources as referred to paragraph (1) come from:
  - a. Forestry revenue from forestry concession right contribution (IHPH), forestry natural resource provision (PSDH) and replanting fund from the said regions;
  - b. Revenue from general mines from land-rent, and exploration and exploitation royalty from the said region;
  - c. National revenue from fishery from the levies of fishery undertaking and revenue from fishery product levies;
  - d. Revenue from oil drilling from the said region;
  - e. Revenue from natural gas drilling from the said region;
  - f. Revenue from geothermal mines from the payments of Government's share, regular contribution and production fee from the said region.
- (4) The natural resource production areas as referred to paragraph (3) shall be stipulated by the Minister of Home Affairs based on the inputs from the related technical ministers.
- (5) The basis for calculating the regional part of the natural resource production area shall be stipulated by the related Technical Ministers upon consultation with the Minister of Home Affairs.
- (6) The execution of the provisions in paragraph (1), paragraph (1), paragraph (2), paragraph (3), paragraph (4), and paragraph (5) shall be further provided in a Government Regulation.

#### **Article 161**

- (1) DAU as referred to in Article 159 point b shall be allocated pursuant to certain percentage of the net domestic revenue as stipulated in the State Budget.
- (2) DAU for a region shall be stipulated according to certain criteria that emphasizes the aspects of equal distribution of wealth and fairness that conforms with the administration of government affairs of which its formula and calculation of DAU shall be stipulated according to the Law.

#### **Article 162**

- (1) The Special Allocation Fund (DAK) as referred to Article 159 point c shall be allocated from the State Budget to certain regions with respect to funding the decentralization to:
  - a. Fund special activities as determined by the Central Government viewing the national priority;
  - b. Fund special activities as proposed by certain regions.

- (2) The formulation of special activities as determined by the Central Government as referred to paragraph (1) point a shall be coordinated with the Governor.
- (3) The formulation of special activities as referred to paragraph (1) point b shall be carried out upon coordination by the said region.
- (4) Further provisions regarding DAK shall be regulated with Government Regulations.

#### **Article 163**

- (1) The guidelines for the use, supervision, monitoring, and evaluation of the tax revenue sharing fund, natural resource revenue sharing fund, DAU, and DAK shall be provided in the Regulations of the Minister of Home Affairs.
- (2) Further regulation on dividing balance funds as referred to Article 57 point b shall be stipulated in the Law on Fiscal Balance between the Central Government and Regional Revenue.

#### **Article 164**

- (1) Other legitimate regional revenues as referred to Article 156 point c constitute the entire regional revenues other than PAD and balance fund comprising grants, emergency fund, and other revenues as determined by the Central Government.
- (2) The grants as referred to paragraph (1) shall comprise cash, goods, and/or services from the Central Government, communities, and foreign or domestic business organizations.
- (3) The emergency fund revenue as referred to paragraph (1) shall be the Central Government aids taken from the State Budget to the regional administration to fund emergency needs resulting from certain occurrences that cannot be covered from the Regional Budget.

#### **Article 165**

- (1) The conditions that may be categorized as certain occurrences as referred to Article 164 paragraph (2) shall be stipulated with a Presidential Decree.
- (2) The amount of emergency fund allocation shall be determined by the Minister of Finance in view of the opinions from the Minister of Home Affairs and related technical Ministers.
- (3) The procedure for the management and accountability of the use of emergency funds shall be provided in a Government Regulation.

#### **Article 166**

- (1) The Central Government may allocate emergency funds to the regions declared experiencing a regional financial crisis that cannot be overcome by the region itself, and it threatens its existence as an autonomous region.
- (2) The procedure for application, evaluation by the Central Government and allocation of emergency funds shall be provided in a Government Regulation.

#### **Article 167**

- (1) The regional expenditures shall be focused on protecting and improving the quality of the people's lives as to meet the regional obligations as referred to in Article 22.
- (2) The protection and improvement of the quality of the people's lives as referred to in paragraph (1) must be materialized in the form of improving the basic services, education, providing proper health service facilities, social facilities and public facilities, and developing the social security system.
- (3) The regional expenditures as referred to in paragraph (1) shall take into account the analyses of standard expenditures, price standard, performance benchmark, and minimum standard of service as stipulated in compliance to the laws and regulations.

### **Article 168**

- (1) The expenditures of the regional head and deputy regional head shall be provided in the Regional Regulation in compliance to the laws and regulations.
- (2) The expenditures of DPRD speaker and members shall be provided in the Regional Regulation in compliance to the laws and regulations.

### **Article 169**

- (1) To fund the regional government administration, the regional governments may make some borrowing from the Central Government, other regional governments, bank financial institutions, non-bank financial institutions and the public.
- (2) The regional governments upon the approval from DPRD may issue regional bonds aimed to finance the investment that yields in the regional revenues.

### **Article 170**

- (1) The regional governments may make borrowings originating from the extension of overseas loans from the Minister of Finance on behalf of the Central Government upon having consulted the Minister of Home Affairs.
- (2) The loan extension agreement as referred to paragraph (1) shall be entered into by the Minister of Finance and the regional head.

### **Article 171**

- (1) The provisions on the regional borrowings and regional bonds shall be provided in a Government Regulation.
- (2) The Government Regulation as referred to in paragraph (1) must at least regulate:
  - a. The prerequisites for the regional governments to make borrowings.
  - b. Allocation for the payments regional borrowing obligations that are due in the Regional Budget.
  - c. Imposing of penalty in case the regional governments fail to meet their obligations to repay the debts to the Central Government, other regional governments, banking institutions, non-banking institutions and the public.
  - d. Procedure for reporting the cumulative borrowing position and loan obligation each semester in the current budget year.
  - e. Conditions for issuing regional bonds, payment of interests and bond principal.
  - f. Management of regional bonds that include the risk control, sales and purchase of bonds, full repayment and allocation in the Regional Budget.

### **Article 172**

- (1) The regional budget may allocate reserve funds to finance certain needs of which the funds may not available within a budget year.
- (2) The reserve funds shall be arranged and stipulated in a Government Regulation.
- (3) The Government Regulation as referred to in paragraph (2) must at least regulate the prerequisites to allocate reserve funds, their management and accountability.

### **Article 173**

- (1) The regional governments may have capital participation in a State-Owned Enterprise and/or private company.
- (2) The capital participation as referred to in paragraph (1) may be added, reduced, sold to the other parties, and/or transferred to a regional government enterprise.
- (3) The capital participation as referred to in paragraph (1) shall be carried out according to the prevailing laws and regulations.

**Section Three**  
**Surplus and Deficit of Regional Budget**  
**Article 174**

- (1) In case the Regional Budget will likely experience a surplus, the regional administration will determine its use in a Regional Regulation on Regional Budget.
- (2) The surplus as referred to in paragraph (1) may be:
  - a. Used to pay installments of the borrowing principal that is due;
  - b. Used as capital participation (regional investment);
  - c. Transferred to the reserve fund account.
- (3) In case the Regional Budget will likely experience a deficit, the shortage may be funded from the regional expenditure sources as stipulated in the Regional Regulation on the Regional Budget.
- (4) The regional expenditures as referred to paragraph (3) may be taken from:
  - a. Remaining funds from the previous budget;
  - b. Transfer from the reserve funds;
  - c. Proceeds from the sales of the regional assets that have been set aside; and
  - d. Regional borrowings.

**Article 175**

- (1) The Minister of Home Affairs shall control the budget deficit of each region.
- (2) The regional administration must report the surplus/deficit position of the Regional Budgets to the Minister of Home Affairs and the Minister of Finance every semester within the current budget year.
- (3) In the event that the regional administration fails to meet its obligation as referred to in paragraph (2), the Central Government may postpone the distribution of the balance funds.

**Section Four**  
**Granting Incentives and Investment Facilities**  
**Article 176**

The regional administration in its efforts to improve the regional economy may grant incentives and/or facilities to the public and/or investors as provided in a Regional Regulation in compliance to the prevailing laws and regulations.

**Section Five**  
**Regional Government Enterprises (BUMD)**  
**Article 177**

The regional administration may own BUMD of which its establishment, merger, transfer, and/or liquidation shall be stipulated in a Regional Regulation in compliance to the prevailing laws and regulations.

**Section Six**  
**Regional Asset Management**  
**Article 178**

- (1) The regional assets used to serve the public interests may not be sold, transferred to other parties, encumbered, or mortgaged in compliance to the prevailing laws and regulations.
- (2) The regional assets may be written off from the inventories of regional assets to be sold, assigned as grants, and/or eliminated in compliance to the prevailing laws and regulations.
- (3) The procurement of goods shall be carried out according to the financial capability and regional needs based on the principles of efficiency, effectiveness, and transparency by prioritizing the domestic products in compliance to the prevailing laws and regulations.
- (4) The writing off of assets as referred to paragraph (2) shall be carried out in accordance with the regional needs, quality of goods, life, and economic value that are carried out transparently according to the laws and regulations.

**Section Seven**  
**Regional Budget**  
**Article 179**

The Regional Budget shall constitute regional financial management within the period of 1 (one) year of budget as from 1 January until 31 December.

**Article 180**

- (1) The regional head in preparing the draft Regional Budget shall set the priority and ceiling of the budget as the basis of preparing the working plan and budget of regional apparatus working unit.
- (2) Based on the priority and budget ceiling as referred to paragraph (1), the head of regional apparatus working unit shall prepare the working plans and regional apparatus' working unit with the approach based on the work performance that will be achieved.
- (3) The working plan and regional apparatus working unit as referred to paragraph (2) shall be submitted to the officers who manage the regional finance as the materials to prepare the draft Regional Regulation on the Regional Budget of the following year.

**Article 181**

- (1) The regional head shall submit the draft Regional Regulation on the Regional Budget along with the explanation and supporting documents to DPRD to obtain joint approval.
- (2) The draft Regional Regulation as referred to paragraph (1) shall be discussed by the regional administration along with DPRD based on the general policies of Regional Budget, along with the priority and budget ceiling.
- (3) The decision making by DPRD to approve the draft Regional Regulations as referred to paragraph (2) shall be carried out at the latest 1 (one) month before the budget year is executed.
- (4) Upon the DPRD approval as referred to paragraph (3), the regional head shall prepare the draft regional head regulation concerning the outline of the Regional Budget and draft documents of implementing the regional apparatus working unit budget.

**Article 182**

The procedure for preparing the working plans and regional apparatus working unit budget as well as the procedure for preparing the regional apparatus working unit budget shall be provided in a Regional Regulation in compliance to the prevailing laws and regulations.

**Section Eight**  
**Regional Budget Revisions**  
**Article 183**

- (1) The Regional Budget may be revised in the event of:
  - a. A development that deviates from the general policies assumption of the Regional Budget;
  - b. A condition that requires budget shifting inter- organization units, inter-activities, and inter-purchasing items; and
  - c. A condition that requires the use of the remaining budget of the previous year in the current budget year.
- (2) The regional administration shall submit the draft Regional Regulation on the Regional Budget revisions along with the supporting documents to DPRD.
- (3) The decision making regarding the draft Regional Regulation on the Regional Budget revisions as referred to paragraph (2) shall be carried out by DPRD at the latest 3 (three) months before the end of the said budget year.

**Section Nine**  
**Accountability of Regional Budget Implementation**  
**Article 184**

- (1) The regional head shall submit the draft Regional Regulation on the accountability of the Regional Budget implementation to DPRD comprising financial statement already audited by the Supreme Audit Agency at the latest 6 (six) months after the end of the budget year.
- (2) The financial statement as referred to in paragraph (1) at least include Regional Budget realization report, balance sheet, cash flow report, and notes on the financial statement, attached with the financial statements of regional government-owned enterprises.
- (3) The financial statement as referred to in paragraph (1) shall be prepared and presented in compliance to the governmental accounting standard as stipulated in a Government Regulation.

**Section Ten**  
**Evaluation of Draft Regional Regulation and Regional Head Regulations on the Regional Budget, Regional Budget Revisions and Accountability of Regional Budget Implementation.**  
**Article 185**

- (1) The draft Regional Regulation on the Regional Budget already jointly approved and draft Governor Regulation on the outline of the Regional Budget before they are stipulated by the Governor, within at the latest 3 (three) days must be submitted to the Minister of Home Affairs for evaluation.
- (2) The evaluation result as referred to paragraph (1) shall be submitted by the Minister of Home Affairs to the Governor at the latest 15 (fifteen) days as from the receipt of such draft.
- (3) In case the Minister of Home Affairs declares that the evaluation of the draft Regional Regulation on the Regional Budget and draft Governor Regulation on the outline of the



Regional Budget conform the public interests and laws and regulations with higher legal status, the Governor shall stipulate the said draft into a Regional Regulation from a Governor Regulation.

- (4) If the Minister of Home Affairs declares that the draft Regional Regulation evaluation on the Regional Budget and draft Governor Regulation on the outline of the Regional Budget contradicts the public interests and laws and regulations with higher legal status, the Governor along with DPRD shall make some improvements at the latest within 7 (seven) days from the receipt of the evaluation results.
- (5) If the evaluation results are not followed up by the Governor and DPRD, and the Governor goes ahead with the stipulation of the draft Regional Regulation on the Regional Budget and draft Governor Regulation on the outline of Regional Budget into Regional Regulation and Governor Regulation, the Minister of Home Affairs shall annul such Regional Regulation and Governor Regulation and simultaneously declare the Regional Budget's ceiling of the previous year.

#### **Article 186**

- (1) The draft Regional Regulation of a district/city on the Regional Budget that is jointly approved and the draft District Head/Mayor Regulation on the outline of the Regional Budget before being stipulated by the District Head/Mayor within at the latest 3 (three) days must be submitted to the Governor for evaluation.
- (2) The evaluation results shall be submitted by the Governor to the District Head/Mayor at the latest 15 (fifteen) days from the receipt of the draft Regional Regulation of a district/city and the draft Regulation of the District Head/Mayor on the outline of the Regional Budget as referred to paragraph (1).
- (3) In case the Governor declares that the evaluation of the draft Regional Regulation on the Regional Budget and draft District Head/Mayor Regulation on the outline of the Regional Budget conform the public interests and laws and regulations with higher legal status, the District Head/Mayor shall stipulate the said draft into a Regional Regulation from a District Head/Mayor Regulation.
- (4) In case the Governor declares that the evaluation of the draft Regional Regulation on the Regional Budget and draft District Head/Mayor Regulation on the outline of the Regional Budget contradicts the public interests and laws and regulations with higher legal status, the District Head/Mayor along with DPRD shall make some improvements at the latest within 7 (seven) days from the receipt of the evaluation results.
- (5) If the evaluation results are not followed up by the District Head and DPRD, and the District Head/Mayor goes ahead with the stipulation of the draft Regional Regulation on the Regional Budget and draft District Head/Mayor Regulation on the outline of Regional Budget into Regional Regulation and District Head/Mayor Regulation, the Governor shall annul such Regional Regulation and District Head/Mayor Regulation and simultaneously declare the Regional Budget's ceiling of the previous year.
- (6) The Governor shall submit the evaluation results of the Regional Regulation of district/city on the Regional Budget and draft District Head/Mayor Regulation on the Outline of Regional Budget to the Minister of Home Affairs.

#### **Article 187**

- (1) In case DPRD until the deadline as referred to Article 181 paragraph (3) does not make any decision along with the regional head concerning the draft regional head regulation on the Regional Budget, the regional budget may incur expenses up to the figure of the Regional Budget of the previous year to finance the routine and monthly expenditures as detailed in the draft regional head regulation on the Regional Budget.
- (2) The draft regional head regulation as referred to paragraph (1) may be implemented upon legalization from the Minister of Home Affairs for a province and from the Governor for a district/city.

- (3) To obtain the legalization as referred to paragraph (2), the draft regional head regulation on the Regional Budget along with its enclosures shall be submitted at the latest 15 (fifteen) days as from the date when DPRD along with the regional head do not adopt a joint decision regarding the draft Regulation on the Regional Budget.
- (4) If within 30 (thirty) days, the Minister of Home Affairs or the Governor fail to approve the draft regional head regulation as referred to paragraph (2), the regional head shall stipulate such draft regional head regulation into a regional head regulation.

#### **Article 188**

The steps to stipulate the draft Regional Regulation on the Regional Budget revisions and draft regional head regulation on the Outline of the Regional Budget revisions into a Regional Regulation and regional head regulation shall be in compliance to the provisions contained in Article 185, Article 186, and Article 187.

#### **Article 189**

The steps to stipulate the draft Regional Regulation on regional taxes, regional retributions and regional zoning into a Regional Regulation shall be in compliance to the provisions contained in Article 185 and Article 186, on the condition that the regional taxes, regional retributions shall be first coordinated with the Minister of Finance, and the regional zoning be coordinated with the Ministers in charge of zoning affairs.

#### **Article 190**

The regional head regulation on the Outline of the Regional Budget and the regional head regulation on the Outline of the Regional Budget revisions shall serve as the basis for the stipulation of the implementation documents of regional apparatus working unit budget.

#### **Article 191**

With respect to evaluating the regional finance management, the regional administration shall develop regional financial information system that constitutes inseparable part of the regional administration information system.

### **Section Eleven**

#### **Implementation of Regional Financial Administration**

#### **Article 192**

- (1) All revenues and expenditures of the regional administration shall be allocated in the Regional Budget and their receipts and disbursements shall take place through the regional treasury account managed by the Regional General Treasurer.
- (2) For each expenditure from the Regional Budget, the regional head shall issue written authorization or other decisions that serve as authorizations.
- (3) Expenditures may not be disbursed from the regional budget if the money is not available or sufficiently available in the Regional Budget
- (4) The regional head, deputy regional head, DPRD Speaker, and other regional officers shall be prohibited from disbursing any money from the regional budget for any other purposes other than those stipulated therein.

#### **Article 193**

- (1) The money belonging to the regional administration that is not being used may be put in time deposit and/or invested in short-term wise as long it does not disrupt the liquidity of the regional finance.
- (2) The cooperation as referred to paragraph (1) may take place through inter-regional cooperation agency that will be regulated with a joint agreement.
- (3) The regional head with the approval of DPRD may stipulate the regulations on:
  - a. Writing off of regional payables, partly or entirely; and
  - b. Settlement of civil cases.

#### **Article 194**

The preparation, execution, administration, reporting, supervision and accountability of regional finance shall be further regulated with a Regional Regulation in compliance to Government Regulations.

### **CHAPTER IX COOPERATION AND SETTLEMENT OF DISPUTES Article 195**

- (1) In order to improve the public welfare, a region may forge cooperation with another region in view of the reasons of efficiency and effectiveness of public services, synergy and mutually beneficial principle.
- (2) The cooperation as referred to paragraph (1) may be realized through inter-regional cooperation as regulated with a joint decree.
- (3) In providing public services, a region may forge a cooperation with a third party.
- (4) The cooperation as referred to paragraph (1) and paragraph (3) that poses liability to the public and the region must obtain approval from DPRD.

#### **Article 196**

- (1) The implementation of government affairs that poses inter-regional impacts shall be jointly managed by the regions concerned.
- (2) To ensure efficiency, the regions must jointly manage the public services with the neighboring regions for the public interests.
- (3) To manage the cooperation as referred to paragraph (1) and paragraph (2), the regions may form cooperation bodies.
- (4) If the regions do not carry out cooperation as referred to paragraph (1) and paragraph (2), such public service management shall be carried out by the Government.

#### **Article 197**

The procedure for implementing the provisions as referred to Article 195 and Article 196 shall be further regulated with a Government Regulation.

#### **Article 198**

- (1) In case of a dispute in the running of governmental functions inter-district/city within a province, the Governor shall resolve the said dispute.
- (2) In the event of a dispute between provinces, between a province and a district/city within the province, and between a province and a district/city outside the province, the Minister of Home Affairs shall resolve such dispute.
- (3) The resolutions as referred to paragraph (1) and paragraph (2) shall be final.

**CHAPTER X  
CITY ZONES  
Article 199**

- (1) The city zones may comprise:
  - a. A city as autonomous area;
  - b. Part of a district with urban characteristics;
  - c. Part of two or more regions with direct borderlines and own urban characteristics.
- (2) The city zones as referred to paragraph (1) point a shall be managed a city administration.
- (3) The city zones as referred to paragraph (1) point b shall be managed by the region or managing institution formed and be responsible to the district administration.
- (4) The city zones as referred to paragraph (1) point c; in the case of zoning and provision of certain public service facilities, shall be jointly managed by the related regions.
- (5) In the rural area planned and turned into an urban area, the said regional administration may form a development agency.
- (6) In case the planning, development implementation, and management of city zones, the regional administration shall involve the public in the efforts to empower the public.
- (7) The provision as referred to paragraph (2), paragraph (3), paragraph (4), paragraph (5), and paragraph (6) shall be stipulated with a Regional Regulation in compliance to the Government Regulations.

**CHAPTER XI  
VILLAGE [DESA]  
Part One  
General  
Article 200**

- (1) In case the regional administration of district/city forms a village administration comprising village administration and Village Consultative Council.
- (2) The establishment, elimination, and/or combining of villages shall view the reasons upon the recommendation from the public.
- (3) The status of the villages within a district/city may gradually be changed to a village unit [kelurahan] in correspond to the proposal and initiative of the village administration along with the Village Consultative Council as stipulated by the Regional Regulation.

**Article 201**

- (1) The funding as a result of the status change from a village into a village unit shall be taken from the district/city Regional Budget.
- (2) In the event that the status of village is changed into a village unit, its assets shall become the regional assets and be managed by the said village unit.

**Second Part  
Village Administration  
Article 202**

- (1) The village administration shall comprise a village unit chief and village apparatus.
- (2) The village apparatus shall comprise a village secretary and other village apparatus.
- (3) The village secretary as referred to paragraph (4) shall be assumed by a civil government employee who meets the qualification.

**Article 203**

- (1) The village unit chief as referred to Article 202 paragraph (1) shall be directly elected by and from the village residents who are Indonesian citizens of which its detailed prerequisites and procedure of election shall be provided in a Regional Regulation in compliance to the Government Regulation.
- (2) The village unit chief candidate who earns most of the votes during the village unit chief election as referred to paragraph (1) shall be stipulated as the village unit chief.
- (3) The election of the village unit chief within a customary community along with the traditional rights that are still strongly held and its existence is formally recognized shall comply to the local customary law as stipulated in a in a Regional Regulation in compliance to the Government Regulation.

#### **Article 204**

The tenure of village unit chief is 6 (six) years and may be reelected for another term.

#### **Article 205**

- (1) The village unit chief shall be installed by the District/Mayor at the latest 30 (thirty) days after the election.
- (2) Prior to holding the office, the village unit chief shall take his oath/pledge.
- (3) The oath/pledge of the village unit chief shall be as follows:  
“In the name of God, I pledge that I shall fulfill my obligations as the village unit chief consciously, honestly and fairly; that I shall adhere to and defend Pancasila state ideology; and that I will uphold democracy and the 1945 Constitution and fully execute all laws and regulations that apply to the village, region, and the Unitary State of the Republic of Indonesia.”

#### **Article 206**

The government affairs that become the village authorities comprise:

- a. Existing government affairs based on the village original rights;
- b. Government affairs that become the district/city authorities but their administration is delegated to the village;
- c. Assuming assistance for the Central Government, provincial administration, and/or district/city administration;
- d. Other government affairs that according to the laws have been delegated to the village.

#### **Article 207**

The assistance for the Central Government, provincial administration, and/or district/city administration by the village must be backed up with the funding, means and facilities and human resources.

#### **Article 208**

The duties and obligation of the village unit chief in leading the village government administration shall be further regulated with a Regional Regulation in compliance to the Government Regulation.

### **Part Three**

### **Village Consultative Council**

#### **Article 209**

The Village Consultative Council has the role to stipulate the village regulations along with the village unit chief, accommodate and channel the people aspiration.

#### **Article 210**

- (1) The members of the village consultative council are the representatives of the said village residents as stipulated through deliberation.
- (2) The chairperson of the village consultative council shall be elected from and by the members of the village consultative council.
- (3) The tenure of members of the village consultative council is 6 (six) years and they may be reelected for another term.
- (4) The conditions and procedure for selecting the members and chairperson of the village consultative council shall be further regulated with a Regional Regulation in compliance to the Government Regulation.

#### **Part Four Other Institutions Article 211**

- (1) A village may establish social institutions as stipulated with a village regulation in compliance to the laws and regulations.
- (2) The social institutions as referred to paragraph (1) shall be assigned to assist the village administration and serve as the partners in empowering the village residents.

#### **Part Five Village Finance Article 212**

- (1) The village finance shall encompass all village rights and obligations that have monetary value, and all objects comprising money or goods that may be claimed by the village in respect to the implementation of its rights and obligations.
- (2) The rights and obligations as referred to paragraph (1) shall incur revenues, expenditures and village financial management.
- (3) The village revenue sources as referred to paragraph (2) shall consist of:
  - a. Pure village revenues;
  - b. Revenue sharing from regional taxes and regional retributions of the district/city;
  - c. Portion of balance budget of the central government and regional finance received by the district/city;
  - d. Aids from Central Government, provincial administration, and district/city administration;
  - e. Grants and donations from third parties.
- (4) The village expenditures as referred to paragraph (2) shall be used to fund the village administration and empowerment of village residents.
- (5) The village financial management as referred to paragraph (2) shall be administered by the village chief and contained in the village regulations on the village revenue and budget.
- (6) The guidelines of the village financial management as referred to paragraph (5) shall be determined by the District Head/Mayor in compliance to the prevailing laws and regulations.

#### **Article 213**

- (1) A village may establish village-owned enterprises in correspond to its needs and potentials.

- (2) The village-owned enterprises as referred to paragraph (1) shall comply with the prevailing laws and regulations.
- (3) The village-owned enterprises as referred to paragraph (1) may borrowings in compliance to the prevailing laws and regulations.

**Part Six**  
**Village Cooperation**  
**Article 214**

- (1) A village may forge cooperation for its own interest. Such will be regulated with a joint decision and be notified to the District Head/Mayor via the Sub-district Head.
- (2) The inter-village cooperation and between a village and third party as referred to paragraph (1) shall be carried out in correspond with its authorities.
- (3) The cooperation with the third party as referred to paragraph (1) may be carried out in compliance to the prevailing laws and regulations.
- (4) To implement the cooperation as referred to paragraph (1), paragraph (2), and paragraph (3) a cooperation body may be established.

**Article 215**

- (1) The development of rural areas by the district/city and or third parties shall involve the village administration and village consultative council.
- (2) The execution of the provisions as referred to paragraph (1) shall be regulated with a Regional Regulation in view of:
  - a. The interests of the village residents;
  - b. Village authorities;
  - c. Smooth investment execution;
  - d. Environmental sustainability;
  - e. Harmony in catering the interests among the zones and public interests.

**Article 216**

- (1) Further regulations concerning the village shall be provided in a Regional Regulation in compliance to the prevailing laws and regulations.
- (2) The Regional Regulations as referred to paragraph (1) must comply with and respect the rights, origins, customs and tradition of the villages.

**CHAPTER XII**  
**ENHANCEMENT AND SUPERVISION**  
**Article 217**

- (1) The Central Government shall enhance the village administration that will include:
  - a. Administration coordination inter-government structures;
  - b. Providing guidelines and standard implementation of government affairs;
  - c. Providing guidance, supervision and consultation of the implementation of government affairs;
  - d. Education and training; and
  - e. Planning, research & development, monitoring and evaluation of the government affairs implementation.
- (2) The coordination as referred to paragraph (1) point a shall be conducted periodically at the national, regional or provincial levels.
- (3) The guidelines and standard as referred to paragraph (1) point b shall include the planning, execution, administration, funding, quality control and supervision aspects.

- (4) The guidance, supervision and consultation as referred to paragraph (1) point c shall be conducted periodically and/or occasionally either comprehensively to the entire regions or certain regions in corresponds to the needs.
- (5) The education and training as referred to paragraph (1) point d shall be conducted periodically to the regional heads or deputy regional heads, DPRD members, regional apparatus, regional civil government employees, and village chiefs.
- (6) The planning, research & development, monitoring and evaluation as referred to paragraph (1) point e shall be performed periodically or occasionally in view of the government structure.
- (7) The implementation of the provisions in paragraph (1) point d and point e may be through collaboration with universities and/or research institutions.

#### **Article 218**

- (1) The supervision over the regional administration shall be carried out by the Central Government and it includes:
  - a. Supervision over the government affairs administration in the regions;
  - b. Supervision over the regional regulations and regional heads' regulations.
- (2) The supervision as referred to paragraph (1) point a shall be carried out by the Central Government's internal supervising apparatus in compliance to the prevailing laws and regulations.

#### **Article 219**

- (1) The Central Government shall give awards in respect to the running of regional administration;
- (2) The awards as referred to paragraph (1) shall be given to the regional governments, regional heads and/or deputy regional heads, DPRD members, regional apparatus, regional civil government employees (PNS), village chiefs, members of village consultative councils, and community members.

#### **Article 220**

- (1) The Central Government shall impose penalties in supervising the running of regional administration.
- (2) The penalties as referred to paragraph (1) shall be imposed to the regional governments, regional heads and/or deputy regional heads, DPRD members, regional apparatus, regional civil government employees (PNS), village chiefs, members of village consultative councils, and community members.

#### **Article 221**

The outcome of the enhancement and supervision as referred to Article 217 and Article 218 shall be used as the materials for further enhancement programs by the Central Government and may also be used as audit materials by the Supreme Audit Agency.

#### **Article 222**

- (1) The enhancement and supervision of the running of the regional administration as referred to Article 217 and Article 218 at the national scale may be coordinated by the Minister of Home Affairs.
- (2) The enhancement and supervision of the running of the regional administration as referred to paragraph (1) for the districts/cities shall be coordinated by the Governor.
- (3) The enhancement and supervision of the running of the village administration shall be coordinated by the District Head/Mayor.



- (4) The District Head and Mayor in implementing the enhancement and supervision as referred to paragraph (3) may delegate the duties to the sub-district head.

#### **Article 223**

The guidelines for the enhancement and supervision that cover the standard, norms, procedure, awards, and penalties shall be provided in a Government Regulation.

### **CHAPTER XIII CONSULTATION IN THE REGIONAL AUTONOMY POLICIES**

#### **Article 224**

- (1) With respect to the running of regional administration, the President may establish a council assigned to provide advices and consultation regarding the regional autonomy policies.
- (2) The council as referred to paragraph (1) shall be assigned to provide advices and consultation to the President regarding among others the draft policies on:
  - a. The establishment, elimination or merger of regions and the establishment of special territories/zones;
  - b. The fiscal balance between the Central Government and the regional administration comprising:
    - (1) Calculation of the portion of each region over the revenue sharing of taxes and natural resources in compliance to the prevailing laws and regulations;
    - (2) Formula and calculation of DAU of each region in correspond with the DAU ceiling in compliance to the prevailing laws and regulations;
    - (3) DAK of each region for each budget year in corresponds with the DAK ceiling using the criteria in compliance to the prevailing laws and regulations;
- (3) The council as referred to paragraph (1) shall be chaired by the Minister of Home Affairs of which its membership organization structure and its administration are further regulated with a Presidential Decree.

### **CHAPTER XIV OTHER PROVISIONS**

#### **Article 225**

The regions that own a special status and special autonomy apart from being regulated under this Law, shall also comply with special provisions provided in other laws.

#### **Article 226**

- (1) The provisions in this Law shall apply to the Special Capital Territory of Jakarta, Nanggroe Aceh Darussalam Province, Papua Province, and the Special Territory of Yogyakarta as long as they are not specially regulated in separate Laws.
- (2) The special treatment for the Special Territory of Yogyakarta as referred to Law Number 22 of 1999 shall remain complying to the provision that the running of the administration of Special Territory of Yogyakarta shall abide by this Law.
- (3) As regards Nanggroe Aceh Darussalam Province, the election of its regional head and deputy regional head shall adhere to the provisions of Law Number 18 of 2001 regarding the Special Autonomy for the Special Territory of Aceh as Nanggroe Aceh Darussalam Province with the following amendments:

- a. The election of regional head, whose current tenure shall end in April 2005, shall be conducted directly as referred to in Law Number 18 of 2001 regarding the Special Autonomy for the Special Territory of Aceh as Nanggroe Aceh Darussalam Province at the latest in May 2005.
- b. In addition to the regional head as contained in point (a) above, there will a regional head election that corresponds with his tenure.
- c. The regional head and deputy regional head whose terms of office expire before this Law is enacted until April 2005, an acting regional head shall be appointed from the end of their tenure.
- d. The acting regional head may not serve as the candidate for regional head or deputy regional head who will be directly elected as referred to in Law Number 18 of 2001 regarding the Special Autonomy for the Special Territory of Aceh as Nanggroe Aceh Darussalam Province.
- e. The members of the Election Independent Commission of the members of the Indonesian National Elections shall be held by the Chairman and members of the General Elections of Nanggroe Aceh Darussalam Province.

#### **Article 227**

- (1) As regards the Special Capital Territory of Jakarta due to its status and role as the Indonesian Capital, it shall be regulated by a separate law.
- (2) The Special Capital Territory of Jakarta as the Indonesian Capital has the status of an autonomous territory, and within its administrative territory it does not have any region with autonomous status.
- (3) The law as referred to paragraph (1) shall contain the regulating concerning:
  - a. Special duties, rights and obligations, and responsibilities as the Capital City.
  - b. Domicile of embassies of friendly countries.
  - c. Integrity of general zoning of Jakarta and general zoning of the surrounding regions.
  - d. Special zones to run certain government functions directly managed by the Central Government.

#### **Article 228**

- (1) The running of government affairs that are under the authorities of the Central Government as referred to in Article 10 paragraph (3) that are de-concentrated, shall be implemented by the vertical institutions in the regions.
- (2) With respect to the vertical institutions as referred to paragraph (1), their number, structure and sizes of working areas shall be determined by the Government.
- (3) The establishment, organizational structure, and administration of the vertical institutions in the regions as referred to paragraph (1), and paragraph (2) shall be stipulated by a Presidential Decree.
- (4) The assets of all vertical institutions that have been turned into regional apparatus shall be transferred to the regions.

#### **Article 229**

The borderlines of a provincial or district/city territory that form a boundary with those of another country shall be provided in laws and regulations in view of the international laws of which their execution shall be stipulated by the Central Government.

#### **Article 230**

Members of the Indonesian Armed Forces and members of the Indonesian Police Force shall not use their voting rights in the regional head and deputy regional head election as long as such ruling is not provided in the laws.

## **CHAPTER XV TRANSITIONAL PROVISIONS**

### **Article 231**

Upon the enactment of this law, the names, borderlines, and provincial capitals, special zones, special territories, districts and cities, shall remain as they are unless determined otherwise in laws and regulations.

### **Article 232**

- (1) The provinces, districts/cities, sub-districts, village units and villages that exist during the enactment of this Law shall remain provinces, districts/cities, sub-districts, village units and villages unless determined otherwise in laws and regulations.
- (2) The establishment of provincial territories or district/city territories that have met the entire establishment requirements according to prevailing laws and regulations shall be proceed in compliance to the prevailing laws and regulations prior to the enactment of this Law.

### **Article 233**

- (1) The regions with the regional heads whose term of office shall end in 2004 until June 2005, shall conduct direct regional head election as referred to this Law by June 2005.
- (2) The regions with the regional heads whose term of office shall end by January 2009 until July 2009, shall conduct direct regional head election as referred to this Law by December 2008.

### **Article 234**

- (1) The regions with the regional heads and deputy regional head whose tenure will end before June 2005, shall appoint an acting regional head.
- (2) The acting regional head who has been appointed prior to the enactment of this Law, shall carry out his duties until the end of his tenure.
- (3) The funding for the election of regional head and deputy regional head conducted in 2005 shall be taken from the State Budget and Regional Budget.

### **Article 235**

The election of a Governor and District/City within the same region whose tenures shall end in the same month and year and/or within the same period of 1 (one) to 30 (thirty) days, the ballot casting will be conducted on the same day.

### **Article 236**

- (1) The village chief and village apparatus who have been installed upon the enactment of this Law shall remain carrying out their duties until the end of their tenures.

- (2) The members of the village consultative council who have been installed upon the enactment of this Law shall remain carrying out their duties until the end of their tenures.

**CHAPTER XVI  
CLOSING PROVISIONS**

**Article 237**

All provisions of the laws and regulations that directly relate to the autonomous regions must refer to and conform their regulating to this Law.

**Article 238**

- (1) All laws and regulations pertaining to the regional administration as long as they are not superceded and not contradictory with this Law shall remain effective.
- (2) The implementation regulations of this Law shall be stipulated at the latest 2 (two) years after this Law is enacted.

**Article 239**

Upon the enactment of this Law, Law Number 22 of 1999 regarding the regional administration shall be null and void.

**Article 240**

This law shall take into effect on the date of its enactment.  
For public cognizance, this Law shall be enacted by promulgating it in the State Gazette of the Republic of Indonesia.

Stipulated in Jakarta  
on  
THE PRESIDENT OF THE REPUBLIC OF INDONESIA  
MEGAWATI SOEKARNOPUTRI

Enacted in Jakarta  
on  
STATE SECRETARY OF THE REPUBLIC OF INDONESIA  
BAMBANG KESOWO  
STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF \_\_ NUMBER \_\_



THE HOUSE OF REPRESENTATIVES OF  
THE REPUBLIC OF INDONESIA

DRAFT OF  
ELUCIDATION OF  
LAW OF THE REPUBLIC OF INDONESIA  
NUMBER \_\_\_\_\_ OF \_\_\_\_\_  
REGARDING  
THE REGIONAL ADMINISTRATION

I. GENERAL ELUCIDATION

**1. Frame of Thinking**

- a. In respect to what are mandated in the 1945 Constitution, the regional administration shall be authorized to regulate and take care of own government affairs according to the principles of autonomy and assuming assistance. The granting of such broad autonomy to the regions is directed to accelerate the public welfare efforts through the improvement of the service, empowerment and the role of the public. In addition, through such broad autonomy, the regions are expected to enable themselves to increase their competitiveness in view of the principles of democracy, equal distribution of wealth, justice, special characteristics, uniqueness, potentials and diversities of the regions under the

Unitary State of the Republic of Indonesia.

The regional administration with respect to improve its efficiency and effectiveness in running the regional autonomy, must view its inter-governmental structure and inter-regional governments, potentials and diversities of the regions under the Unitary State of the Republic of Indonesia. The aspects corresponding to finance, public service, utilization of natural resources and other sources must be carried out fairly and harmoniously. Apart from that, it is essential to view the opportunities and challenges in the global competition by making use of the developments of science and technology. To make sure that such role may be exercised, the regions shall be given broad opportunities along with the rights and obligations in implementing the regional autonomy within the integrated system of running the state administration.

The amendment of Law No. 22 of 1999, apart from the amendment of the 1945 Constitution, also in view of a number of Stipulations and Resolutions of the People's Consultative Assembly (MPR), such as Stipulation of the People's Consultative Assembly Number IV/MPR/2000 regarding the Recommended Policies on Administering the Regional Autonomy; Stipulation of the People's Consultative Assembly Number VI/MPR/2000 regarding the Recommendation for the Report on the Execution of the Resolutions of the People's Consultative Assembly of the Republic of Indonesia by the President, DPA (the Supreme Advisory Council), DPR, BPK (the Supreme Audit Agency), and MA (the Supreme Court) during the annual session of the People's Consultative Assembly of 2002 and Resolution of the People's Consultative Assembly Number 5/MPR/2003 regarding the Assignment to the People's Consultative Assembly of the Republic of Indonesia (MPR-RI) to Pass on the Recommendations on the Report of the Implementation of the Resolutions of the People's Consultative Assembly by the President, DPR, BPK and MA during the Annual Session of MPR-RI in 2003.

Any amendment of laws must view the existing laws related to political affairs, among others Law Number 12 of 2003 regarding the General Election to elect Members of the House of Representatives, Regional Representative Council, and the Regional House of Representatives; Law Number 22 of 2003 regarding the Structure and Position of the People's Consultative Assembly the House of Representatives, Regional Representative Council, and the Regional House of Representatives; Law Number 23 of 2003 regarding the Election of the President and Vice President. Aside from that, it imperative to observe the other laws related to state finance affairs, namely Law Number 17 of 2003 regarding the State Finance, Law Number 1 of 2004 regarding State Treasury, and Law Number 15 of 2004 regarding the Audit of State Finance Management and Accountability.

- b. The regional economic principles apply the broad economic principles in the context that the regions shall be given the opportunities to manage and take care of all government affairs themselves apart from the ones handled by the Central Government as stipulated in this Law. The regions shall have the power to draft their regional laws to provide services, step up the public participation, initiatives and empowerment aimed to improve the public welfare.

In line with such principles, the real and accountable autonomy principle is also applied. The real autonomy principle refers to a principle the management of government affairs shall be implemented in correspond to the actual and existing duties, authorities and obligations that have the potentials to grow, live and develop according to the regional potentials and uniqueness. Thus, the contents and types of autonomy for each region may not be the same as those of other regions. Whereas, the accountable autonomy refers to the autonomy which is truly carried out in line with the goals and objectives of the autonomy granting.

Essentially, the autonomy granting aims to empower the regions including improving the public welfare being the main goal of the national development.

In line with this principle, the running of the regional autonomy must be constantly oriented to the improvement of public welfare by always viewing the interests and aspirations from the communities. In addition, the running of the regional autonomy must ensure the harmonious relationship among the regions. In other words, the regional autonomy must promote cooperation among the regions aimed to improve the public welfare and avoid disparities among the regions. Not less important is that the regional autonomy must also guarantee a harmonious relationship between the regions and the Central Government in the sense that both the regions and the Central Government must ensure that the Unitary State of the Republic of Indonesia shall remain intact and the state's goal is achieved.

To make sure that the regional autonomy may be implemented in line with the goals to be achieved, the Central Government must provide the support and enhancement that comprise guidelines for the research and development, planning and supervision. In addition, the Central Government must also give the standards, directions, guidance, training, supervision, control, coordination, monitoring and evaluation. Simultaneously, the Central Government must facilitate the regional governments by giving the necessary facilities, assistance, and encouragement to the regions so that the autonomy may be implemented efficiently and effectively according to the laws and regulations.

## **2. Establishment of the Special Territories Zones**

The establishment of a region is basically aimed at improving the public service to speed up the public welfare and promoting the political education at the local level. Accordingly, the establishment of a region must consider various factors such as economic capability, regional potential, size of region, number of population, and social, political, cultural, defense, and security factors as well as other reasons and requirements that will enable the region to run and accomplish its region establishment and autonomy granting goals.

The Central Government may establish a special zone in an autonomous region to run certain administration functions that are special and for the national interest/with a national scale, for instance cultural conservation area, national park, strategic industrial development, high tech development such as nuclear energy development, guided missile launching, communication means development, telecommunication, transportation, harbor and free trade zone, military base as well as areas of exploitation, conservation of strategic excavated minerals, research and development of the national resources, social lab, specific social institution. The Central Government must involve the regional administration to establish such special zones.

## **3. Dividing Government Affairs**

The implementation of decentralization requires the division of government affairs between the Central Government and the autonomous regions. The division of such government affairs shall stem from the ideas that there are various government affairs that must remain under the authorities of the Central Government. These affairs pertain to the survival of the nation and state as a whole comprising **foreign policies** including the appointment of diplomats and members of the community to assume positions in international organizations, formulation of foreign policies, entering into agreements with other countries, formulation of international trade policies and so forth; **defense**, for example establishing the armed forces, declare peace or war, declare that the state or part of the territories are under the state of emergency, develop the country's defense system and weaponry, formulating the mandatory

military service/draft; **monetary**, for example printing money and determining the monetary value, formulating monetary policies, controlling the money in circulation, **judiciary**, for instance establishing the judicial institutions, appointing the judges and prosecutors, construction of correctional facilities, formulating the judicial and immigration policies, granting pardons and amnesties, abolition, drafting the laws, Government Regulations in lieu of the laws, Government Regulations and other regulations with the national scale; **religious affairs**, for instance: determining the national religious public holidays, recognizing the existence of a religion, formulating the policies on ensuring religious harmony; as well as certain portions of government affairs with national effect, will not be delegated to the regions.

In addition, there are parts of government affairs that are concurrent. These are government affairs of which their handling in certain sections or fields may be implemented jointly between the Central Government and the regional administration. Consequently, the concurrent affairs contain parts of the affairs that are under the authorities of the Central Government, parts of the affairs that are delegated to the provinces, and part of the affairs that are delegated to the districts/cities.

To ensure the division of power that is proportionally concurrent between the Central Government and the Provincial Region and District/City Administration, a number of criteria must be set that include: externality, accountability, and efficiency in view of the harmonious relationship in running the government affairs among levels of administration.

The affairs that are under the regional authorities include mandatory affairs and optional affairs. Mandatory government affairs are government affairs that relate to the basic services such as basic education, health, meeting the minimum living requirements, basic environmental facilities; while the optional government affairs are closely linked to the superior potentials and regional uniqueness.

Externality criteria refer to the approach in the division of government affairs in view of the impacts arising from running such government affairs. If the impacts that arise are local, such government affairs will be under the authorities of a district/city, if regional they become the authorities of a province, if national they become the authorities of the Central Government.

The accountability criteria refer to the approach in dividing the government affairs in view that the level of administration that handles certain affairs is a level of administration that is more direct/close to the impacts of the affairs that are handled so. Accordingly, the accountability of the running of such government affairs to the public will more guaranteed.

The efficiency criteria refer to the approach in dividing the government affairs by considering the availability of resources (personnel, funds and equipment) to obtain the accuracy, certainty, and speed of the results that must be accomplished in running the affairs section. This means that the handling of an affairs section will be more efficient and effective if carried out by a provincial and/or district/city compared to be handled by the Central Government, such affairs section must be delegated to a provincial region and/or district/city region. On the contrary, if an affairs section will prove more efficient and effective if it remains in the hand of the Central Government, such affairs section will still be handled by the Central Government. Accordingly, the division of affairs section must conform and observe the scope of the region in terms of the operation of such government affairs section. The benchmark of such efficiency and effectiveness must be viewed from the degree of the benefits received by the public and the degree of risks that will be dealt with.



While, the harmonious relationship refers to the management of government affairs section handled by different levels of administrations that are interconnected, inter-dependable and mutually supporting as an integrated system viewing its scope of benefits.

The above division of governmental affairs shall be carried out through the mechanism of handing over and or recognizing upon the recommendation of the regions against the sections of government affairs that will be managed or taken care of. Based on such recommendation, the Government shall first conduct verification prior to recognizing that will be implemented by the regions. The affairs sections that are currently still under the authorities of the Central Government under such criteria, may be delegated to the regions.

Assuming assistance basically serves as the participation of the regions or villages including their residents in the assignment or power from the Central Government or regional administration to implement government affairs in certain fields.

#### **4. Regional Administration**

Regional Administration refers to the implementation of the functions of regional governments by the regional government institutions, namely the Regional Governments and the Regional House of Representatives (DPRD).

The Regional Head is the Head of Regional Administration elected democratically. The democratic election of the Regional Head shall bear in mind that the duties and authorities of DPRD according to Law Number 22 of 2003 regarding the Structure and Position which among others state that DPRD is not authorized to elect the Regional Head and Deputy Regional Head. Consequently, the democratic election under this Law will be directly carried out by the people. The Regional Head in carrying it out his duties is assisted by a deputy regional head and regional apparatus.

The regional head and deputy regional head are directly elected by the people. The prerequisites and procedure of the election will be stipulated in the laws and regulations. The pairs of candidates of the regional heads and deputy regional heads may be nominated by the political parties or combined political parties taking part during the General Election and that have earned a number of seats in DPRD, and or a certain number of votes during the Legislative General Election.

The structure and position of DPRD comprising the members, speaker, functions, duties, authorities, rights, obligations, interim replacement of members, tools and equipment, protocol matters, finance, rules and regulations, prohibitions and penalties, shall be separately regulated in the Law on the Structure and Position of the of the People's Consultative Council (MPR), House of Representatives (DPR), Regional Representative Council (DPD) and the Regional House of Representatives (DPRD). Matters that are not sufficiently regulated in such Law and require further regulations, in the form of confirmation or complimenting the existing provisions shall be provided in this Law.

Through this Law, the Regional General Election Commission (KPUD) of a province, district, and city is authorized to hold the election of regional heads. KPUD as referred to his Law refers to KPUD as contained in Law No. 12 of 2003 regarding the General Election of Members of the House of Representatives (DPR), Regional Representative Council (DPD) and the Regional House of Representatives (DPRD). For such purpose, it is not necessary to establish a new KPUD with the new members. To ensure smooth implementation of the election, DPRD may form a supervision

committee. The authorities of provincial, district and city KPUDs will be limited until the confirmation of the elected candidates with Official Minutes. This minutes will then be submitted by KPUD to DPRD to be recommended by the Central Government to obtain legalization.

The Governor as the Provincial Regional Head shall also act as the Central Government's representative in the region as to bridge and shorten the span of control in the implementation of duties, and the Government functions are included in the enhancement and supervision of the running of government affairs at the district/city administration level.

The relationship between the regional administration and DPRD is a working relationship of which its function is equal and a partnership. The equal position means that these government institutions have the same and equal positions, meaning they do not oversee each other. This is reflected in drafting the regional policies, namely the Regional Regulations. The partnership relationship means that the Regional Administration and DPRD are working partners in making the regional policies to carry out the regional autonomy according to their respective functions so that both functions can build up working relationship that is mutually supportive that are not opponents or competitors in implementing the respective functions.

#### **5. Regional Apparatus**

In running the regional administration, the regional head is assisted by the regional apparatus. In general, the regional apparatus consists of staff who will help formulate the policies and coordination, under a secretariat; while the duties supporting element of the regional head in formulating and implementing specific the regional policies will be accommodated in the regional technical institutions; whereas the implementing elements of regional affairs will be accommodated in the regional service institutions.

The rationale to formulate the regional apparatus in the form of organization takes into account the government affairs that must be handled. This however does not mean that each handling of government affairs must be taken care of by separate organizations. The size of the regional apparatus organization must at least take into account the financial factor, regional needs, and scope of duties encompassing the target of the duties that must be accomplished, types and numbers of duties, regional potentials associated with the affairs to handle, and duties' supporting means and facilities. Accordingly, the needs of the regional apparatus organization for the respective regions will not always the same or in uniform.

The procedure, prerequisites and criteria for setting up a regional apparatus organization will be stipulated in regional regulation in compliance to the Central Government's guidelines.

#### **6. Regional Finance**

The running of the regional administrative function will be optimal if it is followed by providing the sufficient revenue sources to the regions in compliance to the Law on Fiscal Balance between the Central Government and the Regional Administration. The amount of which will be adjusted and in line with the division of authorities between the Central Government and Regional Administration. All financial sources attached to each government affairs delegated to the regions will serve as the regional financial sources.

The regions are entitled to other financial sources, namely: guaranteed funding from the Central Government according to the delegated government affairs; the authorities

to levy and make use the revenues from regional taxes and retributions, and entitled to revenues from national resources existing in the region, and other balance funds; the right to manage the regional assets and obtain other legitimate revenues as funding sources, Under such regulation, in this case the Central Government applies the principle of “money following the function.”

The Law on State Finance contains the confirmation of financial management affairs, namely the authority to manage the state finance is part of the government power; and the authority to manage the state finance by the president is partly delegated to the governor/district/mayor as the regional government head to manage the regional finance and represent the regional government in owning the regional assets that have been set aside. Such provision effects the way the regional finance management is regulated, namely the governor/district/mayor is responsible for the management of regional finance as part of the regional administration authorities. Consequently, the regulating of the management and accountability of regional finance is attached to and is integrated to the regional administration regulating, namely in Law on Regional Administration.

#### **7. Regional Regulations and Regional Head Regulations**

The regional government administrators in implementing the duties, obligations, and responsibilities over the power of laws and regulations with higher legal status may apply regional policies that are formulated in, among others, regional regulations, regional head regulations, and other regional provisions. Such regional regulations may not contradict the laws and regulations that contradict laws and regulations with higher legal status, the public interests and other regional regulations.

The regional regulations drafted by DPR along with the Regional Administration; meaning the initiatives may come from DPRD or the Regional Administration. As regards, the regional regulations on the regional budget, their drafts will be prepared by DPRD and the contents include the DPRD finance, will be deliberated together with DPRD. The regional regulations and other regional provisions that regulate their enactment by promulgating them in the Regional Gazettes. Certain regional regulations that regulate the regional taxes, regional retributions, regional budget, regional budget revisions, and zoning will be effective upon evaluation stages by the Central Government. This is done so in view, among others, to protect the public interests, to ensure the harmony and adjust with the laws and regulations with higher legal status and/or other regional regulations, particularly the regional regulations on regional taxes and regional retributions.

#### **8. Regional Civil Service**

Under the national civil service system, the Civil Government Employees have a vital position to run the administration and serve as the tool to unify the nation. In line with decentralization policies to run the government, there are parts of the authorities in the civil service affairs that are delegated to the regions to be further managed under the regional civil service system.

The regional civil service affairs is a system and procedure provided in the laws and regulations that at least include cover the following aspects: planning, prerequisites, recruitments and appointments, placement, education and training, payroll, termination, retirement, enhancement and supervision, positions, rights and obligations, responsibilities, prohibitions, penalties and awards. They constitute the national civil service sub system and system. Thus, the regional civil service is an integrated bureaucratic network in the national civil service.

The employee management system that suits the current government condition does not fully adopt the unified system. However, as a consequence of the adoption of the decentralization policies, the system combines the unified system and separated system. In other words there are parts of the authorities that will remain the Central Government's authorities that are delegated to the regions to be further executed by the regional civil service development bodies. Another principle adopted is by giving explanation and confirmation that there is a separation between political officials from the career ones as regards their recruitment procedure or their positions, duties, authorities, roles and enhancement and supervision. Based on such principle, the regional civil service development bodies refer to the most senior career officials in the regional administration.

The placement of employees to fill the positions with general qualifications become the authorities of each level of administration according to the laws and regulations, while to fill certain positions that require special qualifications such as experts in certain fields, certain working experience in a district/city, the civil service development officers at the provincial level and or central government level may provide the facilities. This is in line with equal distribution of certain personnel and the placement of suitable employees in correspond with the qualifications as required across the regions.

The salaries and allowance of the Regional Civil Service disbursed from the Basic Allocation Funds as stipulated nationally constitute the General Allocation Funds (DAU) as expressly stated. This is aimed to facilitate any transfer of employees from one region to another or from the region to central level, or in the other way around, and to ensure guaranteed income that must be received by each employee.

The termination of a civil government employee is in principle under the authority of the President. However, in view of the huge number of employees and to ensure efficiency and effectiveness, parts of such authorities are delegated to regional civil service development officers.

## **9. Enhancement and Supervision**

The enhancement and development of the regional administration refers to the efforts by the Central Government and or Governor as the Government Representative in the Region to ensure the achievement of the goals of running the regional autonomy. With respect to the enhancement efforts by the Government, the Ministers and Heads of Non-Ministry Government Institutions will conduct enhancement in correspond to their respective functions and authorities and coordinated by the Minister of Home Affairs to enhance and supervise the provinces by the governors to enhance and supervise the districts/cities.

The supervision over the running of the regional administration refers to the activities aimed to ensure that the regional administration conforms to the plans and provisions of the prevailing laws and regulations.

The supervision conducted by the Government relates to the running of government affairs and particularly to the regional regulations and regional head regulations.

With regard to the supervision of the draft regional regulations and regional regulations, the Government does it using 2 (two) ways as follows:

- 1) The supervision of the draft regional regulations (RAPERDA), namely the draft regional regulations that regulates the regional taxes, regional retributions, regional budget, and RUTR prior to being legalized by the regional head must be first evaluated by the Minister of Home Affairs for provincial Raperda, and by

the Governor against the district/city Raperda. This mechanism is applied so that the regulating of such matters may achieve maximum efficiency and effectiveness.

- 2) The supervision of all regional regulations apart from what are included in point 1, namely each regional regulation must be submitted to the Minister of Home Affairs for a province, and to the Governor for a district/city that has obtained clarification. Any regional organization that is contradictory with the public interests and regulations with a higher legal status may be nullified according to the prevailing mechanism.

To maximize the function of enhancement and supervision, the Government may impose a penalty to the regional government administrator due to a deviation or violation committed by such regional government administrator. The said penalties are among others restructuring of the autonomous region, cancellation of official appointment, postponement and cancellation of the enactment of a regional policy, regional regulation, regional head regulation and other provisions as stipulated by the region, as well as a criminal penalty that will be imposed in compliance to the laws and regulations.

#### **10. Village**

The village pursuant to this Law is a *desa* or called by any other name, hereinafter referred to the village which represents a community with jurisdiction boundaries and is authorized to regulate and take care of the interests of its local residents based on the origins and local customs and tradition recognized and/or established within the National Government system and exist in a district/city as referred to the 1945 Constitution. The basis frame of thoughts for the regulating of a village are the diversity, participation, authentic autonomy, democratization and public empowerment.

This Law recognized the autonomy owned by a village or called by any other name, and such village through the village administration may be assigned or delegated from the Government or regional government to take care of certain government affairs. While for the village beyond the genealogical village, namely an administrative village such as a village formed through a village expansion or due to transmigration as well as other reasons whereby the residents are pluralistic or heterogeneous, such village autonomy will be given the opportunities to grow and develop in line with the progress of the village itself.

To ensure democracy, the village administration will establish a Village Consultative Council or called by any other name that conforms the culture thriving in such village. This council has the role to regulate the village administration, such as the drafting and execution of the Village Regulations, Village Budget and Village Chief Regulations. The village will form social institutions having the status as the partners of village administration in empowering its residents.

The Village Chief is in principle be accountable to the Village residents of which of his accountability will be submitted to the District Head or Mayor via the Sub-district Head. The Village Chief must give a copy of his accountability report to the Village Consultative Council, and inform the residents about the main points of his accountability. In doing so, he must allow the residents through the Village Consultative Council to inquire and/or ask for further information concerning matters pertaining to such accountability.

Further regulations about the village such as the formation, elimination, merger,

village administration apparatus, village finance, village developments and so forth will be drafted by the district/city as stipulated in the regional regulations in compliance to the Government's guidelines.

## II. ARTICLE BY ARTICLE

### Article 1

Self-explanatory

### Article 2

Paragraph (1)

Self-explanatory

Paragraph (2)

"The principle of autonomy and assuming assistance" in this paragraph shall mean that the execution of government affairs by the regions may be directly carried out by the said regions and through assignment by a provincial government to a district/city and village administration, or assignment by the district/city administration to a village.

Paragraph (3)

"Regional competitiveness" in this paragraph refers to the combination of factors and conditions of regional economy, quality of regional public institutions, human resources, and technology that develops the regional potentials to compete with the other regions.

Paragraph (3)

"Regional competitiveness" in this paragraph refers to the combination of factors and conditions of regional economy, quality of regional public institutions, human resources, and technology that develops the regional potentials to compete with the other regions.

Paragraph (4)

Self-explanatory

Paragraph (5)

Self-explanatory

Paragraph (6)

Self-explanatory

Paragraph (7)

"Administrative relationship" in this paragraph refers to the relationship that results from a consequence of the policies of running the regional administration that constitutes the integrity in running the state administration system.

"Regional relationship" in this paragraph refers to the relationship established as the consequence of the formation and establishment of an autonomous region run within the territory of the Unitary State of the Republic of Indonesia. Consequently, a regional territory serves as an intact and integrated state territory.

Paragraph (8)

Regional administration units of the special territories refer to the regions that are granted the status of a special autonomy, while special territories refer to the Special Territory of Aceh and Special Territory of Yogyakarta.

Paragraph (9)  
Self-explanatory

### **Article 3**

Self-explanatory

### **Article 4**

Paragraph (1)  
Self-explanatory

Paragraph (2)

“Regional scope” in this provision, as regards the regions comprising islands or chain of islands in determining the extents of the territories conforms to the principle of inter-island state of which its implementation will be provided in government regulations.

Paragraph (3)  
Self-explanatory

Paragraph (4)

“Minimal age of government administration” in this provision is 10 (ten) years for a province, and 7 (seven) years for a district/city, and 5 (five) years for a sub-district.

### **Article 5**

Paragraph (1)  
Self-explanatory

Paragraph (2)

The DPRD approval in this provision occurs in the form of DPRD resolutions that will be taken in observation of the aspirations from the majority of the local people.

The Governor’s approval in this provision occurs in the form of Governor’s decrees made based on the result of the team studies that are specially formed by the said provincial administration in reference to the laws and regulations. The said team will involve expert staff in correspond to the needs.

Paragraph (3)  
Self-explanatory

Paragraph (4)

Other factors in this provision refer to among others considerations pertaining to financial ability, level of public welfare, span of control of regional government administration.

Paragraph (5)  
Self-explanatory

### **Article 6**

Paragraph (1)  
Self-explanatory

Paragraph (2)

Evaluation of the regional capability in this paragraph means the evaluation using

the performance measurement system and its indicators that include the inputs, process, output and impacts. The measurement and performance indicators are used to compare one region to another with the average score nation wide for each level of administration, or the outcome of the previous years for each region.

The other aspects evaluated are among others: the success of government administration and development; efforts and policies adopted; compliance to the laws and regulations as well as national policies; and the impacts of the regional policies.

Paragraph (3)  
Self-explanatory

#### **Article 7**

Paragraph (1)  
The term “consequence” in this provision shall mean the changes that occur due to merger of regions or elimination of a region that among others includes the name, regional scope, boundaries, capital city, transfer of personnel, funding, equipment and documents, regional apparatus, and other consequences in correspond with the laws and regulations.

Paragraph (2)  
The term “geographical location” means the actual regional parts and/or emerge later, but have not been given any names, such as emerged land, cape, hill/mountain/mountain range, river, delta, lake, valley, strait, and island.

Paragraph (3)  
Self-explanatory

#### **Article 8**

The procedures provided in government regulations contain the mechanism and procedure for the establishment, elimination and merger of regions.

#### **Article 9**

Paragraph (1)  
Special zones mean strategic locations that relates to the livelihood of many people at the national scale viewed from political, social, cultural, environmental, defense and security aspects. Within such special zones, certain government functions are implemented in view of the national interests. Special zones may comprise authority zone, free trade zone, and industrial activity and so on.

Paragraph (2)  
Self-explanatory

Paragraph (3)  
Certain government functions in this provision refer to among others, state defense, utilization of border territories, and certain/most exterior islands, correctional facilities, conservation of cultural heritage, and natural reserves, environmental conservation, research and technology.

Paragraph (4)  
The term “involving” in this provision refers to the planning, implementation, maintenance and utilization.

Paragraph (5)



Self-explanatory

Paragraph (6)

Self-explanatory

## **Article 10**

Paragraph (1)

The term “government administration” in this paragraph means government affairs that absolutely are under its authorities, and other affairs namely parts of government affairs under the authorities of the Central Government.

Paragraph (2)

Self-explanatory

Paragraph (3)

Point a.

The term “foreign policies” refers to the context of appointing diplomats and appointing members of the community to hold the positions in the international organizations, formulate foreign policies, enter into agreements with other countries, and formulate international trade policies and so forth.

Point b.

Defense affairs, for example establishing the armed forces, declare peace or war, declare that the state or part of the state is on emergency, develop and expand the state defense system and armament, determine the policies for mandatory military service (draft), defending the country by each citizen and so on.

Point c.

Security affairs refer to, for example, establishing the state police, formulating the state security policies, taking a measure against anybody, group or organization of which its activities disturbs the state security and so on.

Point d.

Judicial affairs refer to, for example, establishing a court institution, appointing a judge and attorney, establishing correctional facilities, stipulating judiciary and immigration policies, granting pardon, amnesty, abolition, enacting a law, Government Regulation, and other regulations at the national scale.

Point e.

The national monetary and fiscal affairs refer to the macroeconomic policies, for example printing money and determining the currency value, formulating monetary policies, controlling the money in circulation and so on.

Point f.

Religious affairs refer to, for example, determining the national religious holidays, recognizing the existence of a religion, formulating the policies for religious activities and worships and so on; and certain parts of other government affairs with national scale. These are not delegated to the regions.

As regards the religious matters, parts of the activities may be assigned by the Government to the regions as the efforts to increase the regional participation

in promoting the religiosity.

Paragraph (4)

The term “Government apparatus or Government’s representatives in the region” in this provision refers to the Government apparatus in the frame of de-concentration to the Governor.

Paragraph (5)

The term “apart from the government affairs as referred to paragraph (5)” in this provision refers to the government affairs that become the authorities of the Government beyond paragraph (3) as provided in this Law.

**Article 11**

Paragraph (1)

The term “externality criteria” in this provision refers to the organization of government affairs determined pursuant to the size, volume, and scope of impacts that arise due to the running of government affairs.

The term “accountability criteria” in this provision refers to accountability of running government affairs that is determined pursuant to the proximity with size, volume and scope of impacts that arise due to the running of government affairs.

The term “efficiency criteria” in this provision refers to the running government affairs that is determined pursuant to the comparison of highest level of effectiveness that may be gained.

Paragraph (2)

The term “inter-regional governments” in this provision refers to relationship of a province with another province, district/city with another district/city, or province with a district/city.

Paragraph (3)

The term “mandatory affairs” in this provision refers to basic affairs pertaining to the rights and basic services to the public which among others are

- a. protection of constitutional right;
- b. protection of the national interests, public welfare, peace and public order as to ensure that the Unitary State of the Republic of Indonesia (NKRI) remains intact; and
- c. meeting the national commitment associated with international agreements and conventions.

The term “selected affairs” in this provision refers to the affairs that are factually exist in the regions and may potentially improve the public welfare in correspond to the regional condition, uniqueness and superior potentials

Paragraph (4)

Self-explanatory

**Article 12**

Self-explanatory

**Article 13**

Paragraph (1)

Point a.

Self-explanatory

Point b.

Self-explanatory

Point c.

Public order and peace in this provision include giving public protection.

Point d.

Self-explanatory

Point e.

Self-explanatory

Point f.

Self-explanatory

Point g.

Self-explanatory

Point h.

Self-explanatory

Point i.

Self-explanatory

Point j.

Self-explanatory

Point k.

Self-explanatory

Point l.

Self-explanatory

Point m.

Self-explanatory

Point n.

Self-explanatory

Point o.

Self-explanatory

Point p.

Self-explanatory

Paragraph (2)

The term “government affairs that factually exist” in this provision conforms to the condition, uniqueness and potentials owned among others mining, fishery, agriculture, horticulture, forestry and tourism.

#### **Article 14**

Paragraph (1)

Point a.

Self-explanatory

Point b.

Self-explanatory

Point c.  
See elucidation of Article 13 paragraph (1) point c.

Point d.  
Self-explanatory

Point e.  
Self-explanatory

Point f.  
Self-explanatory

Point g.  
Self-explanatory

Point h.  
Self-explanatory

Point i.  
Self-explanatory

Point j.  
Self-explanatory

Point k.  
Self-explanatory

Point l.  
Self-explanatory

Point m.  
Self-explanatory

Point n.  
Self-explanatory

Point o.  
Self-explanatory

Point p.  
Self-explanatory

Paragraph (2)  
The term “government affairs that factually exist” in this provision conforms to the condition, uniqueness and potentials owned among others mining, fishery, agriculture, horticulture, forestry and tourism.

Paragraph (3)  
Self-explanatory

**Article 15**  
Self-explanatory

**Article 16**

Self-explanatory

**Article 17**

Self-explanatory

**Article 18**

Paragraph (1)

Self-explanatory

Paragraph (2)

Self-explanatory

Paragraph (3)

Point a.

Self-explanatory

Point b.

Self-explanatory

Point c.

Self-explanatory

Point d.

Self-explanatory

Point e.

Self-explanatory

Point f.

The term “administrative regulation” in this provision refer to among others licenses, worthiness and safety.

Paragraph (4)

The term “coastal line” in this provision refers to the intersection between the lowest water line and the land.

Paragraph (5)

Self-explanatory

Paragraph (6)

The term “economically weak fishermen” refers to Indonesian traditional people who use the traditional fish catching materials and instruments. They operate without business license and not taxable and free to catch fish in the whole fishery zones within the Indonesian territory.

Paragraph (7)

Self-explanatory

**Article 19**

Self-explanatory

**Article 20**

Paragraph (1)

The General Principles of State Administration in this provision conform to Law No. 28 of 1999 regarding the State Administration that is Clean and Free from

Corruption, Collusion and Nepotism plus the principles of efficiency and effectiveness.

Paragraph (2)  
Self-explanatory

Paragraph (3)  
Self-explanatory

**Article 21**  
Self-explanatory

**Article 22**  
Self-explanatory

**Article 23**  
Self-explanatory

**Article 24**  
Self-explanatory

**Article 25**  
Self-explanatory

## **Article 26**

### Paragraph (1)

#### Point a.

Self-explanatory

#### Point b.

Vertical institutions in the regions as referred to in point b is a ministry and/or non-ministry apparatus and/or non-ministry government institution that manage the government affairs that are not delegated to the regions within certain territories in the context of de-concentration.

#### Point c.

Self-explanatory

#### Point d.

Self-explanatory

#### Point e.

Self-explanatory

#### Point f.

Self-explanatory

#### Point g.

Self-explanatory

### Paragraph (2)

Self-explanatory

### Paragraph (3)

Self-explanatory

## **Article 27**

### Paragraph (1)

#### Point a.

Self-explanatory

#### Point b.

Self-explanatory

#### Point c.

Self-explanatory

#### Point d.

The term “democracy” in this provision refers to among others absorbing the aspirations, stepping up participation, and following up the public complaint.

#### Point e.

Self-explanatory

#### Point f.

Self-explanatory

Point g.  
Self-explanatory

Point h.  
Self-explanatory

Point i.  
Self-explanatory

Point j.  
Self-explanatory

Point k.  
Self-explanatory  
The Plenary Session of DPRD in this provisions refers to the Plenary Session convened in 3 (three) months after the pair of candidates of head of regional and deputy of the regional head and deputy regional head are elected.

Paragraph (2)  
The term “to inform” in this provisions is carried out through media available in the region and may be accessed by the public in compliance to the prevailing laws and regulations.

Paragraph (3)  
The provisions on the report on running this government administration still allows the reports made at own initiative by regional head or at the Government’s request.

Paragraph (4)  
Self-explanatory

Paragraph (5)  
Self-explanatory

## **Article 28**

Point a.  
Self-explanatory

Point b.  
Participation refers to holding the positions as members of the board of directors or commissioners of a company.

Point c.  
Self-explanatory

Point d.  
Self-explanatory

Point e.  
Self-explanatory

Point f.  
Self-explanatory



Point g.  
Self-explanatory

## **Article 29**

Paragraph (1)  
Self-explanatory

Paragraph (2)  
Point a.  
Self-explanatory

Point b.  
The term “unable to continuously carry out the duties means suffering from illness that makes the physical and mental cannot function properly as substantiated with a certificate from an authorized physician and/or existence is known.

Point c.  
Self-explanatory

Point d.  
Self-explanatory

Point e.  
Self-explanatory

Point f.  
Self-explanatory

Paragraph (3)  
The termination as referred to in paragraph (1) point b does not abolish the responsibility of the said person while holding the office.

Paragraph (4)  
Self-explanatory

Point c.  
The term “final” in this provision refers to the decision by the Supreme Court, and other legal proceedings are not available.

## **Article 30**

Paragraph (1)  
The term “a court decision” in this provision refers to first degree court judgment or judgment of a district court.

Paragraph (2)  
Self-explanatory

## **Article 31**

Paragraph (1)  
The term “indicted” in this provision refers to the dossiers that have been submitted to the court for prosecution proceedings.

Paragraph (2)  
Self-explanatory

Paragraph (3)  
Self-explanatory

**Article 32**

Paragraph (1)  
The term “broad non-confident motion from the public” in this provision refers to the condition in the community that hampers the running of the government functions in the regions.

Paragraph (2)  
Self-explanatory

Paragraph (3)  
Self-explanatory

Paragraph (4)  
Self-explanatory

Paragraph (5)  
Self-explanatory

Paragraph (6)  
Self-explanatory

Paragraph (7)  
Self-explanatory

**Article 33**

Self-explanatory

**Article 34**

Self-explanatory

**Article 35**

Self-explanatory

**Article 36**

Paragraph (2)  
The submission of the request for the said examination and investigation must be accompanied with the description of the indicted crime committed.

Paragraph (3)  
The submission of the request for the said examination and investigation must be accompanied with the description of the indicted crime committed.

**Article 37**

Paragraph (1)  
The term “provincial territory” in this provision refers to the administrative territory being working territory of a Governor.

Paragraph (2)  
Self-explanatory

**Article 38**  
Self-explanatory

**Article 39**  
Self-explanatory

**Article 40**  
Self-explanatory

**Article 41**  
Self-explanatory

**Article 42**  
Paragraph (1)

Point a.

The term “drafting” in this provision includes the submission of Draft Regional Regulation as provided in Law No. 10 of 2004.

Point b.

Self-explanatory

Point c.

Self-explanatory

Point d.

Self-explanatory

Point e.

The term “vacancy of deputy regional head” in this provision refers to what is contained in Article 35 paragraph (2).

Point f.

The term “international agreement” in this provision refers to agreement between Government and foreign party(ies) pertaining to the regional interests.

Point g.

The term “international cooperation” in this provision refers to the cooperation between a region and a party comprising “twin” District/City cooperation, technical cooperation including humanitarian aids, loan/grant extension cooperation, capital participation cooperation and other cooperation in compliance to the prevailing laws and regulations.

Point h.

The term “accountability report” in this provision refers any annual report submitted by the regional head during the Plenary Session of DPRD in relation to the autonomy duties and assuming assistance.

Point i.

Self-explanatory

Point j.  
Self-explanatory

Point k.  
Self-explanatory

Paragraph (2)  
The term “duties and authorities” as provided in paragraph (2) among others Law No 17 of 2003 regarding the State Finance and Law No. 15 of 2004 regarding the Audit of State Finance Management and Accountability.

### **Article 43**

Paragraph (1)

Point a.  
The term “investigation right” in this provision refers to the DPRD’s right to inquire the regional head regarding the important and strategic regional government policies that will pose broad impacts to the public, region and state.

Point b.  
The term “inquiry right” in this provision refers to the implementation of DPRD’s supervision function to investigate certain regional head’s policies that are important and strategic that will pose broad impacts to the public, region and state that are allegedly contradictory to the prevailing laws and regulations.

Point c.  
The term “the right to express opinions” in this provision refers to the DPRD’s right to express opinions on the regional head’s policies or on extraordinary events that have occurred in the region along with the recommended solutions or as the follow up of exercising the rights to investigate and inquire.

Paragraph (2)  
Self-explanatory

### **Article 44**

Self-explanatory

### **Article 45**

Self-explanatory

### **Article 46**

Self-explanatory

### **Article 47**

Self-explanatory

### **Article 48**

Point a.  
Self-explanatory

Point b.

Self-explanatory

Point c.

Self-explanatory

Point d.

The term “follow up” in this provision refers to imposing a penalty for a proven breach or rehabilitation of reputation if no breach is proven.

#### **Article 49**

Paragraph (1)

The term “maintain the dignity and honor of DPRD members” in this provision includes to maintain the dignity and honor of DPRD.

Paragraph (2)

Self-explanatory

#### **Article 50**

Paragraph (1)

Self-explanatory

Paragraph (2)

The term “number of commissions” in this provision refers to the commissions as DPRD’s apparatus.

Paragraph (3)

The term “combined fraction” refers to the combination of political parties to form a fraction as referred to in paragraph (2).

Paragraph (4)

The term “DPRD members from other political parties” in this provision refers to the entire political party’s members to join another fraction.

Paragraph (5)

Self-explanatory

Paragraph (6)

Self-explanatory

Paragraph (7)

Self-explanatory

#### **Article 51**

Self-explanatory

#### **Article 52**

Paragraph (1)

In case the said member expresses the same opinion outside the meeting as referred to in this provision, the provision does not apply.

Paragraph (2)

Self-explanatory

Paragraph (3)  
Self-explanatory

**Article 53**

Paragraph (1)  
Self-explanatory

Paragraph (2)  
Self-explanatory

Paragraph (3)  
The submission of the request for investigation must be accompanied with the description of indicted crime.

The officer who grants the permission may not be represented by another person.

Paragraph (4)  
Point a.  
Self-explanatory

Point b.  
The term “crime against the state’s security” includes terrorism, separatism, and coup.

Paragraph (5)  
Self-explanatory

**Article 54**

Self-explanatory

**Article 55**

Paragraph (1)  
Self-explanatory

Paragraph (2)  
Point a.  
The term “failure to perform duties continuously or prevented permanently” means suffering from illness that makes the physical and mental cannot function properly as substantiated with a certificate from an authorized physician and/or existence is known.

Point b.  
Self-explanatory

Point c.  
Self-explanatory

Point d.  
Self-explanatory

Point e.  
Self-explanatory

Point f.  
Self-explanatory

Paragraph (3)  
Self-explanatory

Paragraph (4)  
Self-explanatory

Paragraph (5)  
Self-explanatory

**Article 56**

Self-explanatory

**Article 57**

Paragraph (1)  
Self-explanatory

Paragraph (2)  
Self-explanatory

Paragraph (3)  
Self-explanatory

Paragraph (4)  
Self-explanatory

Paragraph (5)  
The proposed number is maximum twice as many as that of the sub-district supervision committee.

Paragraph (6)  
Self-explanatory

Paragraph (7)  
Self-explanatory

**Article 58**

Point a.

The term “believe in the Almighty God” in this provision means being faithful and obedient in performing one’s religious obligations.

Point b.

- The term “loyal” in this provision means having never been involved in any separatist movement, never been involved in any unconstitutional movement or forcefully tried to amend the state ideology and never violated the 1945 Constitution.
- The term “loyal to the Government” in this provision means recognizing the legitimate government in compliance to the 1945 Constitution.

Point c.

The term “graduates of senior high school and/or equivalent” in this provision is proved by presenting the school diplomas issued by the authorized institutions.

Point d.  
Self-explanatory

Point e.  
Self-explanatory

Point f.  
Self-explanatory

Point g.  
Self-explanatory

Point h.  
This provision is does not mean that the person must own ID card of the said region.

Point i.  
Self-explanatory

Point j.  
Self-explanatory

Point k.  
Self-explanatory

Point l.  
The term “never committed any inappropriate conduct” in this provision refers to the individual has never committed any conduct contradictory to the religious, moral norms, and customs, such as gambling, being intoxicated, drug-addicted, and committing adultery.

Point m.  
Self-explanatory

Point n.  
Self-explanatory

Point o.  
Self-explanatory

Point p.  
Self-explanatory

## **Article 59**

Paragraph (1)  
Political parties or combined political parties in this provision refers to political parties or combined political parties who earned seat(s) in the DPRD.

Paragraph (2)  
Self-explanatory

Paragraph (3)  
The term “democratic and transparent mechanism” in this provision refers to mechanism applied to the political parties or joint political parties nominating the candidates, its nomination steps and the decision that may be accessed by public.



Paragraph (4)  
Self-explanatory

Paragraph (5)

Point a.

The term "chairmen of political parties" are the chairman of and secretary of political parties or called by any other name in respect to their authorities pursuant to the articles of association/statutes of the said political parties in accordance with the level of the nomination regions.

Point b.

Self-explanatory

Point c.

Self-explanatory

Point d.

Self-explanatory

Point e.

Self-explanatory

Point f.

Self-explanatory

Point g.

The term "government posts" in this provision refers to structural and functional positions.

Point h.

Self-explanatory

Point i.

Self-explanatory

Point j.

Self-explanatory

Point k.

Self-explanatory

Paragraph (6)  
Self-explanatory

Paragraph (7)  
Self-explanatory

**Article 60**

Self-explanatory

**Article 61**

Paragraph (1)  
Self-explanatory

Paragraph (2)  
Self-explanatory

Paragraph (3)  
The term “open” in this provision means it must be attended by the pairs of candidates, representatives of political parties or combined political parties that have nominated the pairs, the press and the community representatives.

Paragraph (4)  
Self-explanatory

**Article 62**  
Self-explanatory

**Article 63**  
Self-explanatory

**Article 64**  
Self-explanatory

**Article 65**  
Self-explanatory

**Article 66**  
Paragraph (1)  
Self-explanatory

Paragraph (2)  
Self-explanatory

Paragraph (3)  
Point a.  
Self-explanatory

Point b.  
Self-explanatory

Point c.  
The term “supervise” in this provision refers to the supervision conducted by means of DPRD meeting of which the agenda is the KPUD report on the implementation of the regional head and deputy regional head election.

Point d.  
Self-explanatory

Point e.  
Self-explanatory

Point f.  
The term “plenary session” in this provision refers to DPRD’s Plenary Session that does not require any quorum, attended by the representatives of community and open to public.

Paragraph (4)

Point a.

Self-explanatory

Point b.

The term “reports on the breaches” in this provision refers to reports put forward by the monitoring teams and public.

Point c.

Self-explanatory

Point d.

Self-explanatory

Point e.

Self-explanatory

**Article 67**

Self-explanatory

**Article 68**

Self-explanatory

**Article 69**

Self-explanatory

**Article 70**

Self-explanatory

**Article 71**

Self-explanatory

**Article 72**

Self-explanatory

**Article 73**

Self-explanatory

**Article 74**

Self-explanatory

**Article 75**

Self-explanatory

**Article 76**

Self-explanatory

**Article 77**

Self-explanatory

**Article 78**

Self-explanatory

**Article 79**

Self-explanatory

**Article 80**  
Self-explanatory

**Article 81**  
Self-explanatory

**Article 82**  
Self-explanatory

**Article 83**  
Self-explanatory

**Article 84**  
Self-explanatory

**Article 85**  
Self-explanatory

**Article 86**  
Self-explanatory

**Article 87**  
Self-explanatory

**Article 88**  
Self-explanatory

**Article 89**  
Self-explanatory

**Article 90**  
Self-explanatory

**Article 91**  
Self-explanatory

**Article 92**  
Self-explanatory

**Article 93**  
Self-explanatory

**Article 94**  
Self-explanatory

**Article 95**  
Self-explanatory

**Article 96**  
Self-explanatory

**Article 97**  
Self-explanatory

**Article 98**

Self-explanatory

**Article 99**

Self-explanatory

**Article 100**

Self-explanatory

**Article 101**

Self-explanatory

**Article 102**

Self-explanatory

**Article 103**

Self-explanatory

**Article 104**

Self-explanatory

**Article 105**

Self-explanatory

**Article 106**

Paragraph (1)

Self-explanatory

Paragraph (2)

Self-explanatory

Paragraph (3)

In the event that the region lacks a district court, the complaint may be lodged to DPRD.

Paragraph (4)

Self-explanatory

Paragraph (5)

Self-explanatory

Paragraph (6)

Self-explanatory

Paragraph (7)

The decision from the high court that is final in this provision refers to the decision of the High Court that receives permanent legal effect and no other legal proceedings are possible.

**Article 107**

Paragraph (1)

Self-explanatory

Paragraph (2)

Self-explanatory

Paragraph (3)

- The broader earning of votes refers to the pairs of candidates who have earned more votes in more districts/cities for the Governor and deputy Governor candidates, the pairs of candidates who have earned more votes in more sub-districts for the District Head and Deputy District Head, Mayor and Deputy Mayor candidates
  
- If the same distribution is earned at the district/city level for Governor and deputy Governor, the elected pair of candidates will be determined according to the distribution at sub-district, village/village unit level and so forth. The same applies to determination of the pairs of candidates of District Head and Deputy District Head, Mayor and Deputy Mayor.

Paragraph (4)

Self-explanatory

Paragraph (5)

Self-explanatory

Paragraph (6)

Self-explanatory

Paragraph (7)

Self-explanatory

Paragraph (8)

Self-explanatory

**Article 108**

Paragraph (1)

Self-explanatory

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

Paragraph (4)

Self-explanatory

Paragraph (5)

The nominated candidates to be elected by DPRD under this provision must meet the prerequisites regulated in this Law.

Paragraph (6)

Self-explanatory

**Article 109**

Paragraph (1)

The term “30 (thirty) days” in this provision will be calculated from date when the proposed legalization is received.

Paragraph (2)

The term “30 (thirty) days” in this provision will be calculated from date when the proposed legalization is received.

Paragraph (3)

Self-explanatory

Paragraph (4)

The term “3 (three) days” in this provision will be calculated from date when the minutes of KPUD is received.

#### **Article 110**

Paragraph (1)

Self-explanatory

Paragraph (2)

During the oath taking, certain phrases are commonly used in correspond to the respective religious beliefs, for example for the Moslems, it begins with “In the name of God” and for the Christians/Catholics it is ended with “May God Help Me”. For the Buddhists it begins with “In the Name of Sang Hyang Adhi Buddha, and for the Hindus, it begins with “Om Atah Paramawisesa”.

#### **Article 111**

Paragraph (1)

Self-explanatory

Paragraph (2)

Self-explanatory

Paragraph (3)

The plenary session in this provision may be convened in the DPRD building or in another venue considered appropriate for the purpose.

Paragraph (4)

Self-explanatory

#### **Article 112**

Self-explanatory

#### **Article 113**

Self-explanatory

#### **Article 114**

Self-explanatory

#### **Article 115**

Self-explanatory

#### **Article 116**

Self-explanatory

#### **Article 117**

Self-explanatory

**Article 118**

Self-explanatory

**Article 119**

Self-explanatory

**Article 120**

Self-explanatory

**Article 121**

Self-explanatory

**Article 122**

Paragraph (1)

Self-explanatory

Paragraph (2)

In appointing the Regional Secretary of a province, the Governor will propose 3 (three) candidates meeting the requirements to the President through the Ministry of Home Affairs. He then assesses the candidates and recommends the President one of the most competent candidates to be appointed by the President.

Paragraph (3)

In appointing the Regional Secretary of a District/City, the District Head/Mayor will propose 3 (three) candidates meeting the requirements to the Governor. He will then consult the Minister of Home Affairs who will assess the candidates and give approval to one of the most competent candidates to be appointed by the District Head/Mayor.

Paragraph (4)

The term “supervisor of civil government employees” in this provision refers to the development of professionalism and career of the civil government employees in the regions as to improve their performance.

**Article 123**

Paragraph (1)

Self-explanatory

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

Paragraph (4)

Self-explanatory

Paragraph (5)

The DPRD Secretariat submits its accountability report to the Regional Head through the Regional Secretary as to ensure maximum performance of the regional apparatus.

Paragraph (6)

Self-explanatory



**Article 124**

Paragraph (1)  
Self-explanatory

Paragraph (2)  
Self-explanatory

Paragraph (3)  
The heads of services submits their accountability reports to the Regional Head through the Regional Secretary as to ensure maximum performance of the regional apparatus.

**Article 125**

Paragraph (1)  
Self-explanatory

Paragraph (2)  
Self-explanatory

Paragraph (3)  
Self-explanatory

**Article 126**

Paragraph (1)  
A sub-district is the working area of the Sub-district Head as the regional apparatus of the district and city.

Paragraph (2)  
Self-explanatory

Paragraph (3)  
The term “coordinate” in paragraph (3) refers to the goal to ensure smooth execution of various activities at the sub-district level aimed to improve the public welfare.  
The term “supervise” in paragraph (3) refers to among others to facilitate the drafting of village regulations, and to ensure proper village administration system.

Paragraph (4)  
Self-explanatory

Paragraph (5)  
Self-explanatory

Paragraph (6)  
Self-explanatory

Paragraph (7)  
Self-explanatory

**Article 127**

Paragraph (1)  
Village unit is the working area of the Village Chief (*Lurah*) as regional apparatus of district/city within the working territory of a sub-district.

Paragraph (2)  
Self-explanatory

Paragraph (3)  
Self-explanatory

Paragraph (4)  
Self-explanatory

Paragraph (5)  
Self-explanatory

Paragraph (6)  
Self-explanatory

Paragraph (7)  
Self-explanatory

Paragraph (8)  
The term “other institutions” in this paragraph refers to the community institutions such as Minor Neighborhood Association [Rukun Tetangga], Major Neighborhood Association [Rukun Warga] PKK [Family Welfare Education], Karang Taruna [Youth Activities], and Community Empowerment Institution.

Paragraph (9)  
Self-explanatory

#### **Article 128**

Paragraph (1)  
The term “certain factors” in this provision refers to the assigned duties, scope of area, and number of inhabitants.

Paragraph (2)  
The term “control” in this provision refers to the application of coordination, integration, synchronization and simplification principles to restructure the regional apparatus organization.

Paragraph (3)  
Self-explanatory

#### **Article 129**

Paragraph (1)  
The term “Regional Civil Government Employees” in the provision of paragraph (1) refers to government employees as referred to in Law No. 43 of 1999 regarding the amendment of Law No. 8 of 1974 regarding the Principles of Civil Service.

Paragraph (2)  
Self-explanatory

#### **Article 130**

Self-explanatory

#### **Article 131**

Paragraph (1)

The term “State Civil Service Agency” in this provision refers to the State Civil Service Agency and in certain cases are carried out by the regional offices of the State Civil Service Agency [BKN].

Paragraph (2)  
Self-explanatory

Paragraph (3)  
Self-explanatory

**Article 132**  
Self-explanatory

**Article 133**  
Self-explanatory

**Article 134**  
Self-explanatory

**Article 135**  
Self-explanatory

**Article 136**  
Paragraph (1)  
Self-explanatory

Paragraph (2)  
Self-explanatory

Paragraph (3)  
Self-explanatory

Paragraph (4)  
The term “contradict the public interests” in this provision refers to the policies that disturb the harmonious relationship among the members of the community, the disturbance of public service, hamper the public service, and discriminative policies.

Paragraph (5)  
Self-explanatory

**Article 137**  
Self-explanatory

**Article 138**  
Self-explanatory

**Article 139**  
Paragraph (1)  
The public’s rights in this provision are exercised in compliance to the DPRD rules and regulations.

Paragraph (2)  
Self-explanatory

**Article 140**

Self-explanatory

**Article 141**

Self-explanatory

**Article 142**

Self-explanatory

**Article 143**

Paragraph (1)

The term “money to coerce law enforcement” in this provision refers to the supplementary penalty comprising expenses imposed to the persons having breached the Regional Regulations apart from the provisions provided in the criminal provisions.

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

**Article 144**

Self-explanatory

**Article 145**

Paragraph (1)

Self-explanatory

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

Paragraph (4)

The term “DPRD along with the Regional Head shall nullify the said the Regional Regulation” in this provision refers to the Regional Regulation regarding the annulment of Regional Regulations.

Paragraph (5)

Self-explanatory

Paragraph (6)

Self-explanatory

Paragraph (7)

Self-explanatory

**Article 146**

Self-explanatory

**Article 147**

Self-explanatory

**Article 148**

Self-explanatory

**Article 149**

Self-explanatory

**Article 150**

Self-explanatory

**Article 151**

Self-explanatory

**Article 152**

Paragraph (1)

Self-explanatory

Paragraph (2)

Point a.

Self-explanatory

Point b.

The term “organization and administration” in this provision includes the sub-district, village unit and village.

Point c.

Self-explanatory

Point d.

Self-explanatory

Point e.

Self-explanatory

Point f.

Self-explanatory

Point g.

Self-explanatory

Point h.

The term “regional basic information” in this provision includes the sub-district, village unit and village.

Point i.

Self-explanatory

Paragraph (3)

Self-explanatory

**Article 153**

Self-explanatory

**Article 154**

Self-explanatory

**Article 155**

Self-explanatory

**Article 156**

## Paragraph (1)

Regional budget refers to all regional rights and obligations that have monetary value and all items comprising cash and goods that may be claimed by the regions that pertain to such rights and obligations.

## Paragraph (2)

Self-explanatory

## Paragraph (3)

Self-explanatory

**Article 157**

## Point a.

## Figure 1)

Self-explanatory

## Figure (2)

Self-explanatory

## Figure (3)

The term “revenues from managing the regional assets that have been put aside” refer to among others parts of the profit earned from regional government enterprises in cooperation with third parties.

## Figure (4)

The term “other legitimate pure regional revenues” refer to among others regional revenues apart from regional taxes and retributions such as current account service, proceeds from the sales of regional assets.

## Point b.

The balance funds refer to the funds taken from the state budget allocated for the regions to finance the regional needs to implement decentralization.

## Point c.

The term “other legitimate revenues” refers to among others regional grants or emergency funds from the Government.

**Article 158**

Self-explanatory

**Article 159**

Self-explanatory

**Article 160**

## Paragraph (1)

Self-explanatory

## Paragraph (2)

Self-explanatory

## Paragraph (3)

Self-explanatory

## Paragraph (4)

The term “natural resources production areas” in this provision refers to the regions where natural resources available exist in the regions that share the same boundary or exist in more than one region.

Paragraph (5)  
Self-explanatory

Paragraph (6)  
Self-explanatory

**Article 161**  
Self-explanatory

**Article 162**  
Self-explanatory

**Article 163**  
The term “use” in this provision refers to the allocation of regional expenditures that conform to the regional obligations as provided in this Law.

**Article 164**  
Paragraph (1)  
Self-explanatory

Paragraph (2)  
Self-explanatory

Paragraph (3)  
The term “certain occurrences” refers to among others natural disasters.

**Article 165**  
Self-explanatory

**Article 166**  
Paragraph (1)  
The term “regional financial crisis” in this provision refers to the solvability crisis experienced by the said region.

Paragraph (2)  
Self-explanatory

**Article 167**  
Paragraph (1)  
Self-explanatory

Paragraph (2)  
The term “improving the basic education service” in this provision must be at least 20%.

Paragraph (3)  
- The term “Standard Expenditure Analysis” means the appropriateness appraisal over the workload and costs used to carry out an activity  
  
- The term “Price Standard” means the unit price of a unit of goods that applies in a region.

- The term “performance benchmark” refers to the measurement of success achieved at each regional apparatus’ working unit.
- The term “Standard of Minimum Service” refers to the standard of service that meets the minimum requirements of properness or appropriateness.
- Included in the laws and regulations are among others the guidelines for preparing standard expenditure analysis, price standard, performance benchmark and standard of minimum service as determined by the Minister of Home Affairs.

**Article 168**

Paragraph (1)  
Self-explanatory

Paragraph (2)

The term “Expenditures of DPRD Speaker and Members” in this provision include the expenditure of DPRD Secretariat.

**Article 169**

Self-explanatory

**Article 170**

Self-explanatory

**Article 171**

Self-explanatory

**Article 172**

Self-explanatory

**Article 173**

Self-explanatory

**Article 174**

Self-explanatory

**Article 175**

Self-explanatory

**Article 176**

The incentives and/or facilities in this paragraph refer to the incentives or facilities from the Regional Administration which among others include means and facilities, stimulant funds, business capital, technical assistance, cost reduction and acceleration of license/permit granting.

**Article 177**

Self-explanatory

**Article 178**

Self-explanatory

**Article 179**

Self-explanatory

**Article 180**

Paragraph (1)  
Self-explanatory



Paragraph (2)  
Self-explanatory

Paragraph (3)  
The term “Officers who manage Regional Finance Management Official” in this provision refers to the government officers authorized by the Regional Head to manage the regional finance that encompasses the duties to prepare and execute the policies of regional budget management, prepare the draft regional budget and draft of regional budget revisions, manage the accounting, prepare regional financial statements in respect to the accountability of regional budget implementation.

**Article 181**  
Self-explanatory

**Article 182**  
Self-explanatory

**Article 183**  
Self-explanatory

**Article 184**  
Paragraph (1)  
Self-explanatory

Paragraph (2)  
Self-explanatory

Paragraph (3)  
The Governmental Accounting Standard is prepared by the Government Accounting Standard Committee and is stipulated with a Government Regulation.

**Article 185**  
Paragraph (1)  
The term “evaluation” in this paragraph aimed at achieving the conformity between the regional policies and the national policies, harmony between the public interests and the apparatus interests, and to verify to what degrees the regional budget of the province is not contradictory to the public interests, regulations with higher legal status, as well as other Regional Regulations.

Paragraph (2)  
Self-explanatory

Paragraph (3)  
Self-explanatory

Paragraph (4)  
Self-explanatory

Paragraph (5)  
Self-explanatory

**Article 186**  
Paragraph (1)  
The term “evaluation” in this provision in this paragraph aimed at achieving the conformity

between the regional policies and the national policies, harmony between the public interests and the apparatus interests, and to verify to what degrees the regional budget of the district/city is not contradictory to the public interests, regulations with higher legal status, as well as other Regional Regulations.

Paragraph (2)  
Self-explanatory

Paragraph (3)  
Self-explanatory

Paragraph (4)  
Self-explanatory

Paragraph (5)  
Self-explanatory

Paragraph (6)  
The Minister of Home Affairs must immediately follow up the evaluation results as referred to this provision prior to the legalization of the Draft Regional Regulation and Regional Head Regulations.

#### **Article 187**

Paragraph (1)  
Self-explanatory

Paragraph (2)  
Self-explanatory

Paragraph (3)  
The legalization as referred to this provision is contained in the draft of regional head regulation as found in the lower section of the last page with the phrase as follows: “has been legalized by the Minister of Home Affairs/Governor through Decree \_\_\_ dated \_\_\_\_ number \_\_\_\_” and upon a period of 30 (thirty) days.

Paragraph (4)  
The approval as referred to this provision is contained in the draft of regional head regulation as found in the lower section of the last page with the phrase as follows: “has been submitted to the Minister of Home Affairs/Governor through Decree \_\_\_\_ dated \_\_\_ number \_\_\_\_” and upon a period of 30 (thirty) days.

#### **Article 188**

Self-explanatory

#### **Article 189**

Self-explanatory

#### **Article 190**

Self-explanatory

#### **Article 191**

Self-explanatory

#### **Article 192**

Paragraph (1)

Self-explanatory

Paragraph (2)

The term “other decisions” in this provision refers to among others decree to appoint civil government employees, decree for holding office.

Paragraph (3)

Self-explanatory

Paragraph (4)

Self-explanatory

### **Article 193**

Paragraph (1)

Time deposit may be placed only in a state bank and short-investment may be only for activities posing low risk.

Paragraph (2)

The term “interest” in this provision includes the yield earned from a Syari’ah [Islamic] Bank.

Paragraph (3)

The term “civil case” in this provision refers to cases pertaining to civil law such as lending and borrowing, tax payable and penalty. Their settlement are expected through out-of-court proceedings.

### **Article 194**

Self-explanatory

### **Article 195**

Self-explanatory

### **Article 196**

Paragraph (1)

Self-explanatory

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

Paragraph (4)

The term “may be carried out by the Government” in this provision means being initiated with facilities from the Government.

### **Article 197**

Self-explanatory

### **Article 198**

Paragraph (1)

The Governor in resolving such dispute may consult the Government.

Paragraph (2)

The Minister of Home Affairs in resolving such dispute may consult the President.

Paragraph (3)

Self-explanatory

**Article 199**

## Paragraph (1)

Self-explanatory

## Paragraph (2)

Self-explanatory

## Paragraph (3)

Self-explanatory

## Paragraph (4)

Self-explanatory

## Paragraph (5)

The rural areas refer to the areas with main activities of agriculture, including the management of natural resources, with the structure of area is for village residential place, government affairs service, social service and economic activities.

## Paragraph (6)

Self-explanatory

## Paragraph (7)

Self-explanatory

**Article 200**

## Paragraph (1)

Self-explanatory

## Paragraph (2)

Self-explanatory

## Paragraph (3)

The village that has been turned into a village unit under this provision will not change at once upon the establishment of a city administration, neither will a village within an urban area in a district administration.

**Article 201**

Self-explanatory

**Article 202**

## Paragraph (1)

The village as referred to this provision includes among others Nagari in West Sumatra, Gampong in Nanggroe Aceh Darusallam, Lembang in South Sulawesi, Kampung in South Kalimantan and Negeri in Maluku.

## Paragraph (2)

The term "other Village Apparatus" in this provision refers to support apparatus of a Village Chief comprising Village Secretariat, field technical assistants such as head of section, and regional elements such as sub-village chief or called by any other name.

## Paragraph (3)

The village secretary who is not a Civil Government Employee yet may gradually be appointed as a civil government employee in compliance to the prevailing laws and regulations.

**Article 203**

Self-explanatory

**Article 204**

The tenure of the village unit chief in this provision may be excepted in a customary people of which its existence is proven and recognized as stipulated by the Regional Regulation.

**Article 205**

Self-explanatory

**Article 206**

Self-explanatory

**Article 207**

Self-explanatory

**Article 208**

Self-explanatory

**Article 209**

The term “Village Consultative Council” in this provision refers to the Village Consultative Council as referred to Law No. 10 of 2004 regarding the Drafting of Laws and Regulations.

**Article 210**

Paragraph (1)

The term “representatives” in this provision refers to the village residents who hold the positions as major neighborhood association chief, custom chief, and other informal leaders.

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

Paragraph (4)

Self-explanatory

**Article 211**

Paragraph (1)

Self-explanatory

Paragraph (2)

The term “social institutions” in this provision refers to Minor Neighborhood Association [Rukun Tetangga], Major Neighborhood Association [Rukun Warga] PKK [Family Welfare Education], Karang Taruna [Youth Activities], and Community Empowerment Institution.

**Article 212**

Paragraph (1)

Self-explanatory

Paragraph (2)

Self-explanatory

Paragraph (3)

Point a.

Pure village revenues comprise village business revenues, village asset revenues, revenues from self-supporting business undertaking and participation, mutual cooperation and other legitimate village original revenues.

Point b.

Self-explanatory

Point c.

Self-explanatory

Point d.

Aids from the Central Government, Provincial Administration, and District/City Administration refers to the assistance taken from the State Budget, Regional Budget of a province, Regional Budget of a district/city that is channeled through the village treasury in respect to the running of village administration.

Point e.

The term “donations from the third parties” in this provision refers to gifts, donations, religious donations [wakaf] and or other donations and the giving of such donations will not reduce the obligations of the donators.

Paragraph (4)

Self-explanatory

Paragraph (5)

Self-explanatory

Paragraph (6)

Self-explanatory

### **Article 213**

Paragraph (1)

Self-explanatory

Paragraph (2)

Village-Owned Enterprises refer to the legal entities as provided in laws and regulations.

Paragraph (3)

Self-explanatory

### **Article 214**

Self-explanatory

### **Article 215**

Self-explanatory

### **Article 216**

Self-explanatory

### **Article 217**

Paragraph (1)

Self-explanatory

Paragraph (2)

The term “regional” in this provision means the provincial cross coordination in a certain region.

Paragraph (3)  
Self-explanatory

Paragraph (4)  
The term “giving guidance, supervision and consultation” to all regions, in its execution covers the regional administration.

Paragraph (5)  
Self-explanatory

Paragraph (6)  
Self-explanatory

Paragraph (7)  
Self-explanatory

#### **Article 218**

Paragraph (1)

Point a.

The supervision as referred to this provision is to ensure that the implementation of various government affairs in the region will remain running according to the Government standards and policies in compliance to the regional laws and regulations.

Point b.

The term “Regional Regulations and Regional Head Regulations” in this provision include Regional Regulations of a province and Governor regulations, Regional Regulations of a district/city and District/Mayor regulations as well as Village Regulations and Village Chief regulations.

Paragraph (2)  
Self-explanatory

#### **Article 219**

Paragraph (1)

The term “awards” in this provision refers to one form of development or enhancement in respect to enhance the government administration.

Paragraph (2)  
Self-explanatory

#### **Article 220**

Self-explanatory

#### **Article 221**

Self-explanatory

#### **Article 222**

Self-explanatory

#### **Article 223**

Self-explanatory

#### **Article 224**

Self-explanatory

**Article 225**

Self-explanatory

**Article 226**

Paragraph (1)

Separate Laws refer to Law No. 34 of 1999 regarding the Special Capital Territory of Jakarta, Law No. 44 of 1999 regarding the Special Administration for the Special Territory of Aceh, in conjunction with Law No. 18 of 2001 regarding the Special Autonomy for the Special Territory of Aceh as Nanggroe Aceh Darusallam, Law No. 21 of 2001 regarding the Special Autonomy for Papua Province.

Paragraph (2)

Self-explanatory

Paragraph (3)

The regional head election will take place earlier than what is stipulated in the provision of this Law as there are positions of regional heads that have been held by acting regional heads for more than once. Therefore definitive appointments of regional head are required through direct elections. Prior to stipulating the regions that will hold direct regional head elections, the regions concerned must first establish an Election Independent Commission, and the District/City DPRD must first consult the Central Civil Emergency Authority through the Regional Civil Emergency Authority and local security officers. To hold the regional head elections, pursuant to Law No. 18 of 2001 regarding the Special Autonomy for the Special Territory of Aceh as Nanggroe Aceh Darusallam Province, the Province will set up an Election Independent Commission comprising 9 (nine) members. The members of the Election Independent Commission from the National Elections Commission (KPU) will comprise a chairman and members of provincial KPUD. This is to view that when Law No. 18 of 2001 was enacted, there were no provisions that were permanent and independent on KPUD according to the constitution.

**Article 227**

Paragraph (1)

Self-explanatory

Paragraph (2)

The autonomous territory in the Special Capital Territory of Jakarta is single meaning the city and district territories at the Special Capital Territory of Jakarta are not autonomous.

Paragraph (3)

Point a.

The Special Capital Territory of Jakarta in its status as the state capital city has certain duties, rights, obligations and responsibilities that are different from those of other regions.

Point b.

Self-explanatory

Point c.

The term “integrity” in point c refers to the integrity in the process of preparing the material substances contained and implementation of the Zoning General Plan of each region that are facilitated and legalized by the Government.

Point d.

Self-explanatory

**Article 228**

Self-explanatory



**Article 229**

The boundaries of provincial or district/city territories in this provision cover:

- a. The territories sharing the boundaries with neighboring countries of which their maritime borderlines are the same as those of the Unitary State of the Republic of Indonesia.
  
- b. The territories sharing the boundaries with neighboring countries and their distance is less than 24 nautical miles, their maritime borderlines are the same as those of the Unitary State of the Republic of Indonesia which have been measured according to the principle of middle line.

**Article 230**

Self-explanatory

**Article 231**

Self-explanatory

**Article 232**

Self-explanatory

**Article 233**

Self-explanatory

**Article 234**

Self-explanatory

**Article 235**

Self-explanatory

**Article 236**

Self-explanatory

**Article 237**

The laws and regulations as referred to in this provision are among others sector laws and regulations such as Laws on Forestry, Laws on Irrigation, Laws on Fishery, Laws on Agriculture, Laws on Health, Laws on Agrarian Affairs and Laws on Horticulture.

**Article 238**

Self-explanatory