

REGULATION OF MINISTER OF COMMUNICATIONS AND INFORMATICS
OF THE REPUBLIC OF INDONESIA
NUMBER 4 OF 2021
ON
POSTAL OPERATIONS

BY THE GRACE OF THE ONE AND ALMIGHTY GOD

MINISTER OF COMMUNICATIONS AND INFORMATICS OF THE REPUBLIC
OF INDONESIA

Considering : that to implement provisions in Article 294 paragraph (5), Article 474 paragraph (1), and Article 502 paragraph 2 of Government Regulation Number 5 of 2021 on Risk-Based Business Licensing Operations, and Article 9 of Government Regulation Number 46 of 2021 on Post, Telecommunications, and Broadcasting, it is necessary to establish Regulation of Minister of Communications and Informatics on Postal Operations;

Noting : 1. Article 17 paragraph (3) of the 1945 Constitution of the Republic of Indonesia;
2. Law Number 38 of 2009 on Post (State Gazette of the Republic of Indonesia Year 2009 Number 146, Supplement to State Gazette of the Republic of Indonesia Number 5065);
3. Law Number 11 of 2020 on Job Creation (State Gazette of the Republic of Indonesia Year 2020 Number 245, Supplement to State Gazette of the Republic of Indonesia Number 6573);
4. Government Regulation Number 15 of 2013 on Implementation of Law Number 38 of 2009 on Post (State Gazette of the Republic of Indonesia Year 2009 Number 38, Supplement to State Gazette of the Republic of Indonesia Number 5403);
5. Government Regulation Number 5 of 2021 on Operations of Risk-Based Business Licensing (State Gazette of the Republic of Indonesia Year 2021 Number 15, Supplement to State Gazette of the Republic of Indonesia Number 6617);

6. Government Regulation Number 46 of 2021 on Post, Telecommunications, and Broadcasting (State Gazette of the Republic of Indonesia Year 2021 Number 56, Supplement to State Gazette of the Republic of Indonesia Number 6658);
7. Presidential Regulation Number 54 of 2015 on Ministry of Communications and Informatics (State Gazette of the Republic of Indonesia Year 2015 Number 96);
8. Regulation of Minister of Communications and Informatics Number 6 of 2018 on Organization and Governance of Ministry of Communications and Informatics (Official Gazette of the Republic of Indonesia Year 2018 Number 1019);

HAS DECIDED:

To
Established

: REGULATION OF MINISTER OF COMMUNICATIONS
AND INFORMATICS ON POSTAL OPERATIONS.

CHAPTER I GENERAL PROVISIONS

Article 1

In this Ministerial Regulation, the following terms have the following meanings.

1. Business Licensing means legality granted to Business Players to begin and run businesses and/or activities.
2. Post means Written Communication and/or Electronic Mails Services, Parcel Services, Logistics Services, Financial Transaction Services, and Postal Agency Services for public interests.
3. Universal Postal Services, hereinafter referred to as the UPS, means certain types of Postal services that must be guaranteed by the Government to cover all territories of the Unitary State of the Republic of Indonesia that enable the people to send and/or receive postal items from one point to another worldwide.
4. Postal Operator means a business enterprise that operates the Post.
5. Universal Postal Service Operator, hereinafter referred to as UPS Operator, means Postal Operator assigned to provide Universal Postal Services.
6. Postal Operation means the overall activities of management and administration of postal services.
7. Financial Transaction Services mean the activities of depositing, saving, overbooking, distributing, and remittance from and/or to service users in accordance with the provisions of laws and regulations.

8. Fund Transfer means a series of activities, starting with an order from the originator that aims to overbook a certain amount of funds to a beneficiary specified in the Funds Transfer order until the funds are received by the beneficiary.
9. Money Order means money delivery service in cash/or in transfer provided by a Postal Operator.
10. Postal Saving means money savings through Postal Operator whose withdrawal may only be carried out according to certain requirements.
11. Postal Giro means savings in Rupiah in a Postal Operator whose withdrawal can be done anytime with postal cheque, bilyet postal giro, payment/withdrawal facilities, or overbooking.
12. Postal Deposit means funds entrusted by the people to a Postal Operator based on a deposit agreement in the form of Postal Giro and/or Postal saving.
13. Postal Giro Account means Rupiah Postal Giro account whose funds may be withdrawn anytime with payment order or overbooking means.
14. Postal Account Statement means a report that contains position and transactions history on Postal Giro Account and/or Postal Savings.
15. Signature Specimen means a sample of signature made on a form provided by a Postal Operator for financial transaction service purposes.
16. Payment System means a system that covers a set of regulations, institutions, mechanisms, infrastructure, fund sources for payment, and access to fund sources for payment, used to carry out overbooking funds to fulfill the obligations arising from an economic activity.
17. Postal Account means Postal Giro account, and/or Postal saving account that is individually, institutionally, or jointly owned, that may be debited and/or credited in the provision of Financial Transaction Service, including inter-office Postal Accounts of the same Postal operator.
18. The Principle of Knowing Postal Service Users means a principle applied by a Postal Operator in knowing the profile, the characteristics, as well as the patterns of financial transaction done by a Postal Service User or a prospective Postal Service User.
19. Standard Operating Procedure, hereinafter abbreviated as SOP, means a set of rules that serve as a guideline for Postal Operators in providing Postal services.
20. Postal Service User means all parties that use Postal services.
21. Day means Working Day.

22. Universal Postal Service Office, hereinafter referred to as UPS Office, means an office designated to receive operational subsidy funds.
23. Postal merchandise means all kinds of postage stamps, all kinds of forms, card, and covers sold to the public.
24. Printed Papers mean all kinds of printed publications on paper or other materials, including, but not limited to, books, brochures, catalogs, newspapers, and magazines.
25. Verification means the act of evaluating data on the number of delivered UPS items and data on operational aspects, facilities and infrastructure, and financial aspects at UPS Office operated by Universal Postal Service Operator, which comprises Field Verification and Document Verification.
26. Field Verification means the act of evaluating data on the number of delivered UPS items and data on operational aspects, facilities and infrastructure, and financial aspects of Universal Postal Service operation carried out at the UPS Office.
27. Document Verification means the act of comparing administrative data on delivered UPS items and cost of UPS office components with cost components stipulated in this Ministerial Regulation.
28. Contribution of Universal Postal Service Operation, hereinafter referred to Contribution of UPS Operation, means the obligation that must be fulfilled by any Postal Operator as a contribution to the financing of universal postal service and constitutes non-tax state revenue.
29. Late Payment Fine means a fine imposed on a Postal Operator due to late payment after the due date.
30. Contribution of UPS Operations Verification means the act of evaluating and reviewing the validity of report, payment, statement, and contribution of UPS operations calculation.
31. Blacklist of Operators means a list of identities of directors, administrators, and/or juristic persons subject to administrative sanctions in accordance with the provisions of laws and regulations.
32. Proxy of State General Treasurer Budget User, hereinafter abbreviated as the PSG TBU, means an official in the work unit of each Assistant State General Treasurer Budget User, both at the head office and at the regional office ministries or state/ministerial work units who is assigned by Minister of Finance to exercise authority and responsibility for managing the

budget sources from the State General Treasurer's Budget Section.

33. Revenue Treasurer means a Revenue Treasurer at Directorate General of Post and Informatics Operations appointed by the Minister in accordance with the provisions of laws and regulations.
34. Audit Agency means the National Government Internal Auditor.
35. Central Government, hereinafter referred to as the Government, means President of the Republic of Indonesia who holds the executive power of governance of the Republic of Indonesia as referred to in the 1945 Constitution of the Republic of Indonesia.
36. Minister means the Minister whose duties and responsibilities are in the field of communications and informatics.
37. Director General means Director General whose duties and functions are in the field of Posts and Informatics Operations.
38. Director means a director whose duties and functions are in the field of posts and informatics control.

CHAPTER II POSTAL OPERATIONS

Article 2

Postal Operations are carried out by business entities that are Indonesian juristic persons that comprise:

1. State-Owned Enterprises;
2. Region-Owned Enterprises;
3. Private Enterprises; and
4. Cooperatives.

Article 3

- (1) Postal Operators must obtain a Postal Operation Business Licensing to carry out their activities.
- (2) Requirements of and procedures for Postal Operation Business Licensing are carried out in accordance with the provisions of laws and regulations.

Article 4

- (1) Postal Operators that have obtained a Postal Operation Business Licensing must provide Postal Services in accordance with the Postal Operation Business Licensing obtained.
- (2) The Postal Services as referred to in paragraph (1) comprise the following services:
 - a. written communication and/or electronic mail;
 - b. parcel;

- c. logistics;
 - d. financial transaction; and
 - e. postal agency.
- (3) The logistics services and Financial Transaction Services as referred to in paragraph (2) letter c and letter d are operated based on the provisions of laws and regulations

Article 5

- (1) Postal Operators that provide the Financial Transaction Services as referred to in Article 4 paragraph (2) letter d must provide at least the Services as referred to in Article 4 paragraph (2) letter a and/or letter b.
- (2) Postal Operators that provide Financial Transaction Services as referred to in Article 4 paragraph (2) letter d must have networks in all provincial capitals in Indonesia.

CHAPTER III FINANCIAL TRANSACTION SERVICES

Part One Scope of Financial Transaction Services

Article 6

- (1) Postal Operators may provide Financial Transaction Services which comprise:
- a. Postal Money Orders;
 - b. Postal Giro;
 - c. Fund Transfer; and
 - d. Postal saving.
- (2) Postal Operators that provide the Financial Transaction Services as referred to in paragraph (1) related to fund transfer must obtain a license from Bank Indonesia in accordance with the provisions of laws and regulations.
- (3) Postal Operators must report the operation of the Financial Transaction Services as referred to in paragraph (1) to the Minister not later than 10 (ten) Days from the date of issuance of the license from Bank Indonesia.

Article 7

In providing Financial Transaction Services, Postal Operators must adhere to the principle of prudence, implement good corporate governance, and comply with the provisions of laws and regulations.

Article 8

- (1) The Postal Operators providing the Financial Transaction Services as referred to in Article 6 paragraph (1) related to fund transfer must comply with provisions of Bank Indonesia on Payment System operation.
- (2) The provisions on Payment System operation as referred to in paragraph (1) cover at least licensing, operational activities, oversight, reporting obligations, access to data and information, imposition of administrative sanctions, and termination of operational activities.

Article 9

- (1) Postal Operators may carry out Fund Transfer as:
 - a. Fund Transfer providers; and
 - b. money withdrawal outlets cooperating with Fund Transfer providers who have obtained licenses and met the requirements in accordance with the provisions of laws and regulations.
- (2) Postal Operators that provide Fund Transfer must obtain licenses from Bank Indonesia in accordance with the provisions of laws and regulations
- (3) Fund Transfer activities by Postal Operators are provided by receiving and/or remitting money in cash or non-cash through:
 - a. Postal Money Orders; and/or
 - b. utilization of Postal Giro Accounts or Postal saving as a source of funds.
- (4) The Fund Transfer Activities through Postal Giro Accounts or Postal saving as referred to in paragraph (3) letter b may only be provided when Postal Operators provide Postal Giro Account or Postal Saving services.

Article 10

- (1) Postal service users may remitt money through Postal Money Orders:
 - a. in cash; and
 - b. by transfer.
- (2) The Postal Money Order in cash as referred to in paragraph (1) letter a is carried out by remitting money in cash to be delivered in cash to the recipient.
- (3) The Postal Money Order by transfer as referred to in paragraph (1) letter b is carried out through:
 - a. money remittances in cash to be transferred to Postal Giro Accounts, Postal saving, and/or bank accounts; and

- b. money remittances through Postal Giro Account and/or Postal saving, to be received in cash.
- (4) The money remittances in cash to a bank account as referred to in paragraph (3) letter a is carried out in accordance with the provisions of laws and regulations.

Article 11

Service fees for Fund Transfer and Postal Money Order activities are paid by service users.

Article 12

The Fund Transfer and Postal Money Order activities as referred to in Article 9 and Article 10 are carried out in accordance with the provisions of laws and regulations

Part Three Postal Deposit

Paragraph 1 General Provisions

Article 13

- (1) Postal Operators may provide Postal Deposit services in the forms of:
 - a. Postal Giro; and/or
 - b. Postal saving.
- (2) The Postal Giro services as referred to in paragraph (1) letter a are provided independently.
- (3) The Postal Saving services as referred to in paragraph (1) letter b are provided independently or in cooperation with banking institutions.
- (4) The cooperation as referred to in paragraph (3) is in accordance with the provisions of laws and regulations.

Article 14

In providing the Postal Giro and/or Postal Saving services as referred to in Article 13 paragraph (1), Postal Operators may cooperate with insurance institutions in accordance with the provisions of laws and regulations.

Paragraph 2 Requirements for Independent Provision of Postal Giro and/or Postal Saving Services

Article 15

- (1) Postal Operators providing Postal Giro and/or Postal Saving services must have paid-up capital at a minimum of Rp50,000,000,000,- (fifty billion rupiah).

- (2) Exempted from the provision as referred to in paragraph (1), Postal Operators with foreign investors must have paid-up capital of Rp100,000,000,000,- (one hundred billion rupiah).

Article 16

- (1) Postal Operators providing Postal Giro and/or Postal Saving services must have 1 (one) director with operational experiences in banking sector for a minimum of 5 (five) years.
- (2) The experience as referred to in paragraph (1) refers to the minimum qualification of a deputy director or equivalent, and holding a risk management certificate.
- (3) The director as referred to in paragraph (1) is prohibited from holding concurrent positions as member of the board of directors or other executive positions in other companies or other subsidiaries.
- (4) Members of the board of directors must not be related up to the second degree, both according to lineal and collateral kinship with other members of the board of directors or with members of the board of commissioners.
- (5) Members of the board of directors are prohibited from individually or jointly owning shares more than 25% (twenty five percent) in other companies.

Paragraph 3

Postal Giro Facilities

Article 17

- (1) Postal Operators providing Postal Giro services may provide:
 - a. depositing, saving, withdrawal, overbooking, payment, and administration services related to the administration of the Postal Giro Account;
 - b. facilities of bookkeeping for deposits to and withdrawal from Postal Giro Account;
 - c. electronic facility for certain Postal Giro Account Owners
 - d. services of data and/or information on settlement of Postal Giro Account transactions; and
 - e. overbooking services in accordance with the provisions of laws and regulation.
- (2) The electronic facility as referred to in paragraph (1) letter c is provided in accordance with the provisions of laws and regulation.

Paragraph 4

Deposit and Withdrawal Facilities

Article 18

- (1) Deposits to and/or withdrawals from Postal Giro Accounts are made using:
 - a. cash deposit slip;
 - b. electronic facility for deposit or withdrawal provided in accordance with the provisions of laws and regulations; and
 - c. other means of deposit or withdrawal.
- (2) The electronic deposit or withdrawal facility as referred to in paragraph (1) letter b is used for transferring funds between Postal Giro Accounts.
- (3) Fund overbooking from the Postal Giro Account to a bank account is carried out in accordance with the provisions of laws and regulations.

Paragraph 5

Postal Giro Account

Article 19

- (1) Postal Service Users may open a Postal Giro Account.
- (2) In opening the Postal Giro Account as referred to in paragraph (1), a Postal Service User must provide correct and appropriate information or data in a responsible manner.
- (3) Postal Operators must keep Postal Service Users' personal data as referred to in paragraph (2) confidential in accordance with the provisions of laws and regulations.

Article 20

- (1) Postal Service Users apply for opening a Postal Giro Account by:
 - a. filling out a registration form; and
 - b. fulfilling administrative requirements.
- (2) Applications for opening a Postal Giro Account are filed by Postal Service Users in person at a Postal Operator's office or other places, or by other methods.
- (3) The procedure for opening a Postal Giro Account is further regulated by Postal Operators by taking into account the principle of prudence.

Article 21

- (1) Postal Giro Account deposits may be made by:
 - a. the owner of the Postal Giro Account; or
 - b. other than the owner of the Postal Giro Account.

- (2) The deposits as referred to in paragraph (1) are made in cash or non-cash.
- (3) Non-cash deposits as referred to in paragraph (2) are made through overbooking or transfer between Postal Giro Accounts.
- (4) The deposits as referred to in paragraph (1) are made through the Postal Operator's office or other places, or by other methods.
- (5) Deposits of funds exceeding Rp100,000,000 (one hundred million rupiah) must be supplemented with information regarding the source of funds and the purpose of fund utilization.
- (6) Postal Operators must apply the principles of anti-money laundering and prevention of the financing of terrorism and/or other illegal activities in accordance with the provisions of laws and regulations.

Article 22

- (1) Withdrawals from Postal Giro Account may be made by the Postal Giro Account owner or a party authorized by the Postal Giro Account owner unless otherwise stipulated by the provisions of laws and regulations.
- (2) The authorization as referred to in paragraph (1) is made in the form of a special power of attorney.
- (3) The party giving the power of attorney as referred to in paragraph (1) must make a Signature Specimen.

Article 23

- (1) Withdrawals from the Postal Giro Account may be made at the Postal Operator's office or other places, or by other methods.
- (2) The withdrawals as referred to in paragraph (1) are made by providing the identity card of the Postal Giro Account owner or the authorized party.

Article 24

- (1) The owner of Postal Giro Account may make overbooking of funds in accordance with the procedure determined by the Postal Operator by taking into account the provisions of laws and regulations.
- (2) Any overbooking of funds as referred to in paragraph (1) must be made by providing the identity card of the Postal Giro Account owner or the authorized party.

Article 25

- (1) Changes in Postal Giro Accounts may be made if there are changes in:
 - a. account number;

- b. account owner's name; or
 - c. data on the address of the owner of the Postal Giro Account.
- (2) Changes in the account owner's name as referred in paragraph (1) letter b may only be made by the owner of the Postal Giro Account after submitting a written application to the Postal Operator.

Article 26

- (1) The owner of a Postal Giro Account may use the autodebit service.
- (2) The mechanism and procedure for autodebit as referred to in paragraph (1) are determined by the Postal Operator by taking into account the provisions of the laws and regulations.

Article 27

- (1) A Postal Giro Account is closed if:
- a. the owner of the Postal Giro Account submits a written application;
 - b. the owner of the Postal Giro Account is deceased;
 - c. authorized minister, head of institution, or official submits a written request in order to oversee the business activities of the owner of the Postal Giro Account and/or make law enforcement process; and/or
 - d. the Postal Giro Account has been inactive for 2 (two) years.
- (2) In the event that the Postal Giro Account has been inactive for 2 (two) years as referred to in paragraph (1) letter d, the following provisions apply:
- a. the right to the balance of the Postal Giro Account is reserved for the Postal Giro Account Owner until the expiry date in accordance with the provisions of laws and regulations;
 - b. the Postal Giro Account that has been inactive for 2 (two) years will be charged an administration fee at the beginning of the third year;
 - c. the inactive Postal Giro Account as referred to in letter b may be reactivated by a written request from the account owner to the Postal Operator; and
 - d. Postal Operators must conduct periodic supervision of the inactive Postal Giro Accounts.
- (3) Postal Operators determine the procedure and mechanism for closing a Postal Giro Account.

Article 28

Postal Operators may provide a Postal Account Statement for the owner of a Postal Giro Account.

Article 29

- (1) Postal Operators determine the amount of yield on Postal Giro services.
- (2) The amount of yield on Postal Giro services is determined in a reasonable manner by taking into account the provisions of laws and regulations.

Article 30

- (1) Postal Giro Accounts are subject to administration fees, the amount of which is determined by the Postal Operator in a reasonable manner by taking into account the provisions of laws and regulations.
- (2) Funds collected by Postal Operators through Postal Giro activities must be deposited into the accounts of Commercial Banks and/or Sharia Commercial Banks in accordance with the provisions of laws and regulations.
- (3) The amount of funds deposited in the Banks as referred to in paragraph (2) is determined by taking into account the liquidity risk of the Postal Operators.
- (4) Deposit of Postal Giro Account Funds in the Banks as referred to in paragraph (2) is made at the earliest opportunity based on the provisions of laws and regulations.

Article 31

- (1) A Postal Giro Account may be blocked or unblocked based on:
 - a. request from the account owner; and/or
 - b. request from the authorized party.
- (2) Blocking or unblocking as referred to in paragraph (1) letter a may not be done by a proxy.
- (3) Blocking or unblocking of the Postal Giro Account is done by the Postal Operator.

Paragraph 6
Postal Saving

Article 32

- (1) Postal Operators may provide Postal Saving services.
- (2) The Postal Saving services as referred to in paragraph (1) are provided based on the provisions of laws and regulations.

Article 33

- (1) Postal Operators may share Postal Saving yield to Postal Service Users.
- (2) The yield as referred to in paragraph (1) is determined in a reasonable manner by taking into account the provisions of laws and regulations.

Paragraph 7
Utilization of Funds

Article 34

- (1) Public funds collected in Postal Giro and/or Postal Saving are invested by Postal Operators through low-risk investment instruments.
- (2) The low-risk investment instruments as referred to in paragraph (1) include:
 - a. state bonds; and/or
 - b. state securities,in accordance with the provisions of laws and regulations.
- (3) The Postal Operators must be responsible for the management of the invested Postal Giro and/or Postal Saving funds.

Article 35

Financial Transaction Services do not provide loans and/or credit and are subject to the provisions of laws and regulations.

Paragraph 8
Other Provisions

Article 36

Further provisions regarding the operation of Postal Giro and Postal Saving are regulated by a Ministerial Regulation.

Part Four
Sales of Company Shares

Article 37

Postal Operators providing Financial Transaction Services may only sell their shares through the stock exchange at a maximum of 49% (forty-nine percent) of the shares listed on Indonesia's stock exchange.

Part Five
Risk management

Article 38

- (1) Postal Operators providing Financial Transaction Services must implement risk management that includes at least:
 - a. active supervision by the board of commissioners and directors;
 - b. adequacy of policies, risk management procedures, and determination of risk limits;

- c. adequacy of risk identification, measurement, monitoring and control processes as well as risk management information system; and
 - d. comprehensive internal control system.
- (2) The implementation of risk management as referred to in paragraph (1) is adjusted to the objectives, business policies, size and complexity of the business as well as the capabilities of the Postal Operators.
 - (3) The implementation of risk management as referred to in paragraph (1) constitutes part of the assessment of the Postal Operators' soundness level, especially risk profile factors.
 - (4) Risk management of Financial Transaction Services related to fund transfer activities is implemented in accordance with provisions made by Bank Indonesia.

Article 39

Other than the risk management as referred to in Article 38, Postal Operators also carry out mitigation or risk management for:

- a. operational risk;
- b. liquidity risk;
- c. reputation risk;
- d. investment risk;
- e. legal risk;
- f. compliance risk; and
- g. strategic risk.

Part Six

Principle of Knowing Postal Service Users

Article 40

- (1) Postal Operators must identify, assess, and understand the risks of money laundering and/or terrorism financing crime related to Postal Service Users, countries or geographic areas, products, services, transactions or distribution networks in accordance with the provisions of laws and regulation.
- (2) In carrying out the activities referred to in paragraph (1), Postal Operators must:
 - a. document risk assessment;
 - b. consider all relevant risk factors before determining general risk level, as well as the level and the type of proper risk mitigation to be implemented;
 - c. update risk assessment on a regular basis; and
 - d. have adequate mechanisms for providing information on risk assessment to authorized institutions.
- (3) The Postal Operators must implement the Principle of Knowing Postal Service Users in managing and mitigating risks that have been identified based on risk assessment as referred to in paragraph (2) as well as in accordance with the provisions of laws and regulation.

- (4) The Principle of Knowing Postal Service Users is implemented only to Postal Service Users of Financial Transaction Services.

Article 41

- (1) Postal Operators must establish a special work unit and/or appoint officials responsible for implementing the Principle of Knowing Postal Service Users, at the head office and branch offices.
- (2) Further provisions regarding the special work unit as referred to in paragraph (1) are carried out in accordance with regulations from the authorized institution in the field of financial transaction reporting and analysis.

Article 42

- (1) Postal Operators must have policies and procedures for managing and mitigating risks of money laundering and/or terrorism financing that is identified according to the risk assessment.
- (2) The policies and procedures as referred to in paragraph (1) are carried out in accordance with the provisions of the authorized institution in the field of financial transaction reporting and analysis.

Article 43

- (1) In carrying out business relations with prospective Postal Service Users of Financial Transaction Services, Postal Operators must:
 - a. identify prospective Postal Service Users to find out the profile of Postal Service Users; and
 - b. verify information and supporting documents of the prospective Postal Service Users.
- (2) The identification as referred to in paragraph (1) letter a is carried out by collecting information on Postal Service Users and/or representatives of Postal Service Users that contains not less than:
 - a. identity of the prospective Postal Service Users or the representatives of the prospective Postal Service Users;
 - b. source of funds;
 - c. business relations and the purpose of the transaction to be carried out by Postal Service Users or the representatives of Postal Service Users and Postal Operators;
 - d. information on the parties appointed to act on behalf of the corporation in conducting business relations with the Postal Operator;
 - e. identity of corporate owners, directors, founders, management, trustees, or other parties authorized to control the corporation;
 - f. identity of the beneficial owner of the corporation; and
 - g. other information to find out the profile of prospective Postal Service Users or representatives

- of Postal Service Users, including information stipulated by provisions of laws and regulations.
- (3) In the event that the Postal Operator have doubt about the veracity of the information regarding the beneficial owner as referred to in paragraph (2) letter f, the Postal Operator must take other measures to obtain the information.

Article 44

Postal Operators must have a risk management system to determine whether prospective Postal Service Users are included in the high-risk criteria.

Article 45

Further provisions regarding the Principle of Knowing Postal Service Users for Financial Transaction Services are implemented in accordance with the provisions of the authorized institution in the field of financial transaction reporting and analysis.

Part Seven

Document Administration

Article 46

- (1) Postal Operators must administer documents related to Postal Service Users data within a minimum period of 10 (ten) years since:
- a. the termination of business relations or transaction with Postal Service Users; or
 - b. the finding of discrepancies in transactions with economic objectives and/or business objectives.
- (2) The Document as referred to in paragraph (1) shall include not less than:
- a. Postal Service Users transactions, both domestic transactions and international transactions;
 - b. documents obtained by Postal Operators in implementing the Principle of Knowing Postal Service Users;
 - c. evidence of business relations between Postal Operators and Postal Service Users; and
 - d. analysis carried out by the Postal Operators.
- (3) Postal Operators must fulfill requests for information and documents as referred to in paragraph (2) from authorized institution and/or law enforcement agencies not later than 3 (three) days after the Postal Operators receive requests from authorized institution and/or law enforcement agencies.

Part Eight

Information and Reporting System

Article 47

Postal Operators must have an information system that is able to effectively carry out identification, analysis and monitoring and provide reports regarding the

characteristics of transactions made by Postal Service Users.

Article 48

- (1) Postal Operators must maintain database of high-risk countries, lists of suspected terrorists and terrorist organizations, and lists of other financial sanction targets published by the Government or international organizations.
- (2) Postal Operators must make reports regarding the identical identity as referred to in paragraph (1) and the identity of Postal Service Users in accordance with the provisions of the laws and regulations.

Article 49

- (1) Postal Operators must submit reports of suspicious financial transactions, reports of suspicious financial transactions related to terrorism financing, reports of cash financial transactions and/or other transactions to the authorized institution in the field of financial transaction reporting and analysis.
- (2) The technical provisions regarding the submission of reports as referred to in paragraph (1) are carried out in accordance with the provisions of the authorized institution in the field of financial transaction reporting and analysis.

Article 50

Provisions regarding the implementation of, supervision of application of, and imposition of sanctions on the implementation of the Principle of Knowing Postal Service Users, and mitigation of the risk for money laundering and/or terrorism financing are carried out in accordance with the provisions of the authorized institution in the field of financial transaction reporting and analysis.

Part Nine

Consumer Protection

Article 51

- (1) Postal Operators must maintain the security of funds in Money Order, Postal Giro Account, Fund Transfer, and Postal Saving in accordance with the provisions of laws and regulations.
- (2) Postal Operators must be liable for Postal Service Users' loss arising from errors and/or negligence of administrators, employees, and/or third parties working for the interests of Postal Operators.

Article 52

- (1) Postal Operators must maintain confidentiality and security of data and/or information regarding Postal Service Users.

- (2) Exemptions to the provisions as referred to in paragraph (1) are given in accordance with the provisions of laws and regulations.

Article 53

- (1) Postal Operators must have and implement mechanism of consumer complaint service and settlement.
- (2) The mechanism of consumer complaint service and settlement as referred to in paragraph (1) is free of charge.
- (3) Postal Operators must have work units and/or functions to handle and settle complaints submitted by Postal Service Users.
- (4) Postal Operators must follow up on the settlement of the complaints not later than 20 (twenty) days after the filing date of the complaint.
- (5) In the event that the complaints as referred to in paragraph (4) cannot be settled, Postal Service Users may submit complaints through litigation and/or non-litigation settlement based on the provisions of laws and regulations.
- (6) Implementation of consumer complaint service and settlement regarding Financial Transaction Services related to fund transfer activities is carried out in accordance with regulations of Bank Indonesia.

Article 54

In providing Financial Transaction Services, Postal Operators must have an SOP and make it public.

CHAPTER IV

Universal Postal Services

Part One

General Provisions

Article 55

- (1) The Government guarantees the provision of the UPS across the territory of the Unitary State of the Republic of Indonesia so as to enable the public to send and/or receive Universal Postal Items.
- (2) The Universal Postal Items as referred to in paragraph (1) consist of:
 - a. letters, postcards, Printed Papers, and small packages of up to 2 (two) kilograms;
 - b. items for the blind of up to 7 (seven) kilograms;
 - c. Printed Papers sent in special bags intended for recipients with the same address weighing up to 30 (thirty) kilograms (M-bag); and
 - d. postal packages weighing up to 20 (twenty) kilograms.

Article 56

- (1) The UPS is a public service obligation whose implementation and budgeting are based on the provisions of laws and regulations.
- (2) The cost of public service obligations as referred to in paragraph (1) is an operational subsidy whose funds are sourced from the State Budget.
- (3) The operational subsidy as referred to in paragraph (2) is an operational subsidy for the operation of the UPS.
- (4) The procedures for providing operational subsidies for the operation of the UPS are carried out in accordance with the provisions of laws and regulations.

Part Two
Universal Postal Service Operations

Paragraph 1
Determination of Universal Postal Service Operators

Article 57

- (1) The Minister designates a Postal Operator to operate the UPS.
- (2) The designation as referred to in paragraph (1) is stipulated by a Ministerial Decree.

Article 58

- (1) The designation as referred to in Article 57 paragraph (1) is based on the following criteria:
 - a. having experience in operating postal services for 25 (twenty five) years;
 - b. owning and/or controlling the Postal network in the operational area of UPS and/or across the territory of the Unitary State of the Republic of Indonesia;
 - c. having the ability and resources to dispatch Postal items around the world;
 - d. having competent human resources in the field of international postal operations;
 - e. having work plan and budget for Postal Operations of UPS for a minimum of 5 (five) years;
 - f. having the ability to maintain the minimum standard of UPS services; and
 - g. having the ability to carry out the provisions of the acts of the Universal Postal Union that have been approved or ratified by the Government.
 - h. The Director General carries out assessment and evaluation of the Postal Operator as referred to in Article 57 paragraph (1).

Paragraph 2
Obligations and Rights of Universal Postal Service Operator

Article 59

Postal Operator designated as UPS Operator must:

- a. operates UPS across the territory of the Unitary State of the Republic of Indonesia;
- b. maintain the sustainability of UPS operations;

- c. comply with agreements in good will;
- d. apply dispatch tariffs or fees in accordance with the provisions of laws and regulations;
- e. meet the minimum service standards stipulated by the Minister;
- f. carry out assignments as designated operators in the Universal Postal Union and fulfill the obligations inherent therein;
- g. manage (postage) stamp services;
- h. comply with provisions of laws and regulations on delivery of goods;
- i. report the UPS operations to the Minister;
- j. make reports on revenue and expenditure in operating UPS;
- k. be formally and substantively liable for the operation of UPS;
- l. keep documentation of UPS operations for a minimum of 10 (ten) years from the date the documents are issued for physical documents (hardcopy);
- m. keep documentation of UPS operations through computer data archives (soft copy); and
- n. comply with the provisions of laws and regulations.

Article 60

In carrying out UPS assignments, a UPS Operator reserves the following rights:

- a. receiving benefits arising from the implementation of the acts of the Universal Postal Union; and
- b. receiving compensation for the costs of operating UPS in accordance with the availability of the State Budget based on the provisions of laws and regulations.

Part Three

Areas and Number of Universal Postal Services

Article 61

- (1) UPS area comprises:
 - a. The entire territory of the Unitary State of the Republic of Indonesia; and
 - b. UPS Office service areas.
- (2) The UPS Office service areas as referred to in paragraph (1) letter b are UPS Offices whose number is determined by the Director General on behalf of the Minister.
- (3) The UPS offices as referred to in paragraph (2) are determined based on regional conditions by taking into account:
 - a. that the regions are underdeveloped, frontier, and outermost regions;
 - b. that the regions are part of the Government's strategic plan and work plan; and/or
 - c. data on the distribution of Postal Operators across Indonesia.
- (4) The UPS offices as referred to in paragraph (2) are determined based on the following criteria:

- a. the UPS Office is located outside the provincial capital and the capital of regencies/municipalities;
 - b. the post office suffers financial loss based on the previous year's calculation; and
 - c. the post office is located in the area that is non-commercially viable evidenced by the absence of other Postal Operators in the area's subdistrict.
- (5) The criteria as referred to in paragraph (4) letter a are exempted in the event that the UPS Office is located in regency/municipality that is non-commercially viable.

Article 62

The number of UPS Offices determined as referred to in Article 61 paragraph (2) takes into account the amount or availability of UPS subsidy funds.

Part Four

Universal Postal Service Subsidy Method and Formula

Paragraph 1

Operational Subsidy Calculation Method for the Implementation of Universal Postal Services

Article 63

- (1) Operational subsidy for UPS operation is operational costs minus revenue of UPS Office.
- (2) The UPS Office operational subsidy as referred to in paragraph (1) is provided to UPS Offices determined by the Minister.
- (3) The formula, method, procedures for calculating the need for funds, and the technical calculation of operational subsidy funds for the UPS operation are stipulated by a Ministerial Decision.

Article 64

- (1) The implementation of UPS is regulated in UPS agreement between the proxy of budget user and the president director of the UPS Operator.
- (2) The UPS agreement as referred to in paragraph (1) is signed after the issuance of UPS Budget Implementation List approved by Ministry of Finance.
- (3) The UPS agreement as referred to in paragraph (1) contains not less than:
 - a. number of UPS Offices;
 - b. amount of UPS subsidy;
 - c. method of disbursement of UPS subsidy;
 - d. rights and obligations;
 - e. benchmarks;
 - f. implementation period;
 - g. sanctions; and
 - h. dispute settlement.

Paragraph 2

Procedures for Calculating Operational Subsidies for the Universal Postal Service Operations

Article 65

- (1) The Director General establishes a team to evaluate the proposal for required operational subsidy funds for UPS operations.
- (2) The team evaluates the proposal for required operational subsidy funds for UPS operations as referred to in paragraph (1).

Paragraph 3
Benchmark for Subsidy

Article 66

- (1) The calculation of operational subsidy for UPS Operations for UPS Office stipulated by the Minister as referred to in Article 63 paragraph (2) takes into account the following aspects:
 - a. operational aspect;
 - b. facilities and infrastructure aspect; and
 - c. financial aspect.
- (2) The operational aspect as referred to in paragraph (1) letter a includes:
 - a. provision of sufficient sales of Postal Merchandise;
 - b. service in six days a week or 40 (forty) hour a week;
 - c. collecting, processing, transporting, and delivering of:
 1. letters, postcards, Printed Papers and small packages of up to 2 (two) kilograms;
 2. items for the blind of up to 7 (seven) kilograms;
 3. Printed Papers sent in special bags intended for recipients with the same address weighing up to 30 (thirty) kilograms (M-bag); and
 4. Postal packages weighing up to 20 (twenty) kilograms.
 - d. transporting to the liaison/examiner's office is carried out 1 (one) time to 3 (three) times a week;
 - e. cooperation with apparatus of Local Government, cooperatives, and/or Village-Owned Enterprises in a written form for the item transporting beyond the delivery area; and
 - f. item transporting in accordance with service standards based on provisions of laws and regulations.
- (3) The facilities and infrastructure aspects as referred to in paragraph (1) letter b comprise the provisions of:
 - a. facilities, in the form of vehicles, with the minimum of two-wheeled motorized vehicles;
 - b. infrastructure, in the form of a post office building that is maintained and equipped with:
 1. waiting rooms and chairs, counters, office nameplates, service announcement boards, sorting tables and cabinets (integrated or separated), customer desks, and fire extinguishers;
 2. date stamp, mail scale, and package scale;

3. computer equipment or office stationery;
 4. Postal merchandise and other securities depository may be in the forms of iron cabinet, safety box, and/or a special room; and
 5. communication equipment connected online provided that telecommunications network is available.
- (4) The financial aspects as referred to in paragraph (1) letter c for subsidies at any UPS Office are:
- a. revenue component consisting of revenue from:
 1. universal postal item products;
 2. Commercial Postal Service products; and
 3. Financial Transaction Service products.
 - b. the cost component at UPS Office is the cost incurred at UPS Office; and
 - c. the cost component calculated as UPS Office spending is stipulated in a Ministerial Decision.
- (5) UPS Operators must do separate bookkeeping on operational subsidy funds for UPS Operations.

Paragraph 4

Verification of Universal Postal Service Operations

Article 67

- (1) The Director General in carrying out UPS agreement as referred to in Article 64 paragraph (1) establishes a team to carry out:
 - a. monitoring of UPS implementation; and
 - b. Verification of the UPS implementation.
- (2) The monitoring as referred to in paragraph (1) letter a is an activity of monitoring and/or testing the feasibility of aspects of the UPS operation.
- (3) Monitoring and Verification as referred to in paragraph (1) is carried out based on SOP which at the minimum contains:
 - a. general provisions;
 - b. object verified;
 - c. Verification implementation procedures;
 - d. procedures for implementing monitoring of UPS operation; and
 - e. utilization of information systems.
- (4) The monitoring as referred to in paragraph (1) letter a is carried out on the current year's UPS Operation and proposed UPS Offices.
- (5) The Verification as referred to in paragraph (1) letter b is in the forms of Field Verification and Document Verification.
- (6) The team as referred to in paragraph (1) carries out Verification of the realization of prognostic operational subsidies in year N+1.
- (7) The Verification results as referred to in paragraph (1) letter b are only for administrative purpose and do not exempt Postal Operators from audit by the authorized institutions in accordance with the provisions of laws and regulations.

- (8) The cost of carrying out monitoring and Verification is borne by the budget of the Directorate General.
- (9) The SOP as referred to in paragraph (3) is stipulated by a Director General Decision.

Article 68

- (1) UPS Operator establishes an internal team to manage and supervise the administration of subsidized funds as a form of management assertion.
- (2) Report of the internal team as referred to in paragraph (1) is submitted to the Director General prior to the implementation of Verification on a quarterly basis.

Part Five

Disbursement of Universal Postal Service Subsidies

Article 69

- (1) UPS operation proxy of budget user is appointed by the Minister who administers government affairs in the financial sector in accordance with the provisions of laws and regulations.
- (2) Proxy of budget user has the authority to determine:
 - a. officials authorized to make decisions and/or take actions that may result in expenditure of the state budget;
 - b. officials authorized to carry out assessments on payment requests and issue payment order;
 - c. expenditure treasurer;
 - d. assistant to proxy of budget user;
 - e. financial management staff/expenditure treasurer assistant; and
 - f. accounting and financial reporting unit of proxy of budget user.
- (3) The proxy of budget user as referred to in paragraph (1) does accounting and makes reporting in accordance with Regulations of Minister of Finance regarding accounting and financial reporting system of the state general treasurer.

Article 70

- (1) Operational subsidy funds for UPS operation are disbursed on a quarterly basis.
- (2) Calculation and disbursement of operational subsidy funds for UPS operation in November and December are prognostic.
- (3) The Verification Team performs Verification of the realization of operational subsidy for UPS operation calculations as referred to in paragraph (2).
- (4) In the event that the results of an inspection or audit by an authorized institution show that the Government has paid a larger operational subsidy fund for the UPS operation to the UPS Operator, the UPS Operator must return the overpayment to the state treasury in accordance with the provisions of laws and regulations.

Article 71

- (1) The president director of UPS Operator submits an invoice for payment of UPS subsidy to the Proxy of budget user.
- (2) Based on the invoice for payment of the UPS Operator, the Proxy of budget user examines the completeness of the UPS operation invoice document.

Article 72

- (1) Based on the Postal Operator's bill as referred to in Article 71 paragraph (1), commitment-making officer makes a payment request letter to be submitted to the payment instruction signing officer by attaching:
 - a. minutes of Verification; and
 - b. payment receipt.
- (2) Based on the payment request letter submitted by the commitment-making officer as referred to in paragraph (1), the payment instruction signing officer performs the followings:
 - a. examining of the validity of the Budget Execution Document or other budget execution documents;
 - b. checking the completeness of billing payment documents; and
 - c. matching the signature of the commitment-making officer with the specimen received.
- (3) Based on the examination as referred to in paragraph (2), the payment instruction signing officer makes, signs, and submits the payment order to the State Treasury Service Office, Directorate General of Treasury, Ministry of Finance along with:
 - a. expenditure responsibility statement from the proxy of budget user/commitment-making officer;
 - b. verification statement letter from the proxy of budget user; and
 - c. statement of responsibility from the proxy of budget user.

Article 73

UPS Operators are formally and materially responsible for the management and use of UPS operational subsidies.

Part Six

Universal Postal Service Tariffs

Paragraph 1

Universal Postal Service Tariffs Determination

Article 74

- (1) UPS tariffs are determined based on a formula that considers:
 - a. operational costs for the UPS operation;
 - b. projection of increase in costs to improve quality of service;
 - c. production growth projections;
 - d. people's purchasing power; and

- e. provisions of the Universal Postal Union acts.
- (2) The Minister determines UPS tariffs for Universal Postal Items.
- (3) The Determination of UPS tariffs as referred to in paragraph (2) is based on the results of verification and evaluation by the Director General.
- (4) The Director General forms a team to verify and evaluate UPS tariffs.
- (5) The UPS tariff evaluation as referred to in paragraph (1) is carried out at least once a year.
- (6) The amount of the UPS tariff as referred to in paragraph (1) is determined by a Ministerial Decisions.

Article 75

- (1) Adjustments to the amount of UPS tariffs are carried out based on evaluation results by considering internal and external factors.
- (2) The internal factors as referred to in paragraph (1) are carried out in order to improve quality of service.
- (3) The external factors as referred to in paragraph (1) include, but are not limited to:
 - a. inflation;
 - b. fuel price hike;
 - c. increase in basic electricity tariff;
 - d. national economic growth;
 - e. appreciation of dollar; and/or
 - f. changes to the provisions of the Universal Postal Union acts.

Paragraph 2 Oversight

Article 76

The Director General oversees the imposition of UPS tariffs in accordance with the provisions of laws and regulations.

Part Seven Minimum Service Standards

Paragraph 1 Service Standard

Article 77

Service standard for UPS consists of:

- a. availability of service access;
- b. service regularity;
- c. human capital competency;
- d. agility and reliability;
- e. security and confidentiality;
- f. complaint, suggestion, and feedback handling;
- g. customer satisfaction;
- h. service tariffs; and
- i. compensation.

Paragraph 2

Service Access Availability

Article 78

- (1) UPS operators must provide UPS that covers the entire territory of the Unitary State of the Republic of Indonesia.
- (2) Any UPS office must provide:
 - a. at least 1 (one) delivery counter;
 - b. additional service facilities in the forms of at least:
 1. 1 (one) mailbox; and/or
 2. postal box according to the needs of the community.
- (3) UPS operators may expand the coverage of UPS services through a partnership scheme and/or mobile Post based on the provisions of laws and regulations.
- (4) The mobile Post as referred to in paragraph (3) is a service point for sending and delivering universal postal items with the following conditions:
 - a. having at least 2 (two) service points in 1 (one) subdistrict; and
 - b. using modes of transportation according to local needs and conditions.
- (5) The pattern of UPS delivery of a UPS office is at least 1 (one) unit of postal delivery service, with the coverage of services as follows:
 - a. for Areas Within the Delivery Boundary (AWDB), universal postal items are handed over to the recipient at the delivery point according to the destination address of the postal items; and/or
 - b. for the Areas Beyond Delivery Boundary (ABDB), universal Postal items are handed over to recipients served by delivery of universal Postal items indirectly by a carrier or a third party.
- (6) Information on the Areas Within the Delivery Boundary (AWDB) and the Areas Beyond Delivery Boundary (ABDB) as referred to in paragraph (5), is included in a list detailing the name and postal codes of the villages/urban villages, and posted on a notice board at the UPS office for public knowledge.

Article 79

The UPS office shall ensure facilities that provide easy access for the public in accordance with the provisions of laws and regulations.

Article 80

- (1) UPS Operators must provide operational facilities in the form of universal Postal item processing operation, which includes collection, processing, transportation and/or delivery of items to ensure effective and efficient operation process.
- (2) The operational facilities in the form of universal Postal item processing operation as referred to in paragraph (1) functions as a center for sorting, consolidating, exchanging, and/or forwarding universal Postal items.

- (3) Handling of universal Postal items takes into account the volume of items and the availability of local modes of transportation.
- (4) In carrying out the Postal exchange function as referred to in paragraph (2), UPS Operators must provide sea Post exchange offices and air Post exchange offices.

Paragraph 3
Service Regularity

Article 81

The Service regularity standard as referred to in Article 77 letter b must be met by UPS operators by providing guarantee for regular and continuous service operation.

Article 82

- (1) The service regularity standard for counter services as referred to in Article 78 paragraph (2) letter a must be applied with the following conditions:
 - a. UPS office counter service hours are set at 40 (forty) hours for 6 (six) Days;
 - b. The UPS Office counter service schedule is set as follows:
 1. Mondays to Thursdays: 08.00—15.00;
 2. Fridays: 08.00—11.30 and 13.00—15.00
 3. Saturdays:08.00—14.30; and
 4. No services on holidays and/or bank holidays.
 - c. The UPS office counter service schedule as referred to in paragraph (1) letter b may be adapted to local situations and conditions without reducing the number of service hours in 6 (six) days; and
 - d. the counter service schedule is announced to public by making it available on the announcement board at the UPS Office.
- (2) The service regularity standard for mobile post services as referred to in Article 78 paragraph (3) is met with a service frequency of a minimum of once a week at each service location.
- (3) The service regularity standard for additional facilities as referred to in Article 78 paragraph (2) letter b is met under the following conditions:
 - a. mail bus serving the delivery of letters, postcards, and UPS printed papers for 24 (twenty four) hours a day, with a frequency of picking up or emptying items from the mail bus at a minimum of once a day; and
 - b. the postal box serves universal postal items pickup for 24 (twenty four) hours a day.
- (4) The service regularity standard for postal delivery services as referred to in Article 78 paragraph (5), is met with service standards as follows:
 - a. for Areas Within Delivery Boundary (AWDB), universal Postal items is delivered at least once a day; and

- b. for Areas Beyond Delivery Boundary (ABDB), universal postal item is delivered according to the mobile post service schedule as referred to in paragraph (2).
- (5) The distribution of universal postal items from the originating UPS office or mail processing center to the destination UPS office through the mail processing center is carried out by transporting items at least once a day.
- (6) In the event of limitations to the mode of transportation used, the distribution as referred to in paragraph (1) is carried out by transporting items at least once in several days.

Paragraph 4
Human Capital Competency

Article 83

- (1) In operating UPS, UPS operators utilize reliable and professional human capital in accordance with the Indonesian National Work Competency Standards (INWCS) in the field of postal expertise for handling UPS.
- (2) Fulfillment of the Indonesian National Work Competency Standards (INWCS) in the field of Postal expertise for handling UPS as referred to in paragraph (1) is evidenced by a Postal expertise certificate issued by the Professional Certification Institute (PCI).
- (3) Fulfillment of the need for postal expertise-certified human capital is carried out in stages by UPS Operators in accordance with the provisions of laws and regulations.
- (4) The Indonesian National Work Competency Standards (INWCS) in the field of postal expertise for handling UPS is applied in accordance with the provisions of laws and regulations.

Article 84

- (1) Any UPS Office is supported by at least 2 (two) personnel.
- (2) Any mobile post service unit as referred to in Article 78 paragraph (3) shall be supported by at least 1 (one) personnel.
- (3) Any items handling operational facility is operated by personnel as needed by taking into account the load of volume of items, the distribution schedule, and the availability of the mode of transportation used.

Paragraph 5
Agility and Reliability

Article 85

- (1) The service agility and reliability standard as referred to in Article 77 letter d must be met by UPS Operators

- by complying with the universal postal items delivery time standard for each type of universal postal items.
- (2) The universal postal items delivery time standard as referred to in paragraph (1) starts from the receipt of universal postal items at the UPS office of origin until it is received at the UPS office of destination by taking into account the service schedule as referred to in Article 82 paragraph (1) letter b.
 - (3) The universal postal items delivery time standard as referred to in paragraph (2) is expressed in units of days, detailing each type of UPS and each destination zone for universal postal items.
 - (4) To improve excellent service, UPS operators utilize a universal postal items tracking system in accordance with the provisions of laws and regulations.
 - (5) The universal postal items delivery time standard for each type of UPS and for each destination zone for universal postal items is determined by the Minister.

Paragraph 6
Security and Confidentiality

Article 86

The standard of security and confidentiality for UPS items as referred to in Article 77 letter e must be met by UPS Operators by providing and implementing a security system for:

- a. access to postal services and the mail processing operational facilities as referred to in Article 80 paragraph (2);
- b. the integrity of items;
- c. items detection facilities and infrastructure;
- d. mail confidentiality; and
- e. user personal data.

Paragraph 7
Complaint, Suggestions, and Feedback Handling

Article 87

- (1) To meet the complaint, suggestion, and feedback handling standard as referred to in Article 77 letter f, UPS operators must provide customer service functions.
- (2) The customer service function as referred to in paragraph (1) shall be equipped with adequate means of communication as needed, which may be in the forms of:
 - a. customer service center (call center); and/or
 - b. other services in the form of short message service (SMS), electronic mail (e-mail), website and/or social media.
- (3) To guarantee quick handling of complaints, suggestions, and feedback in accordance with standards, UPS Operators shall:

- a. respond to complaints, suggestions, and feedback no later than 2 (two) hours after receiving complaints, suggestions, and feedback;
 - b. conduct an investigation no later than 1 (one) x 24 (twenty four) hours after receiving complaint; and
 - c. complete the handling of complaints, suggestions and feedback no later than 3 (three) x 24 (twenty four) hours from the receipt of complaints, suggestions and feedback.
- (4) UPS operators shall respond to complaints in accordance with the means of communication used as referred to in paragraph (2).

Paragraph 8
Customer Satisfaction

Article 88

- (1) UPS operators must submit customer satisfaction measurement survey results at least once a year.
- (2) The customer satisfaction survey as referred to in paragraph (1), may be carried out independently and/or in cooperation with a competent independent survey institution.
- (3) Result of the customer satisfaction survey as referred to in paragraph (2) are reported to the Director General and published on the UPS operators' website or social media.

Paragraph 9
Tariff Standards

Article 89

- (1) The UPS tariff standards as referred to in Article 77 letter h follows the provisions of the UPS tariff in accordance with the provisions of laws and regulations.
- (2) Information on the UPS tariffs as referred to in paragraph (1) must be made publicly available through information and communication media provided by UPS operators, including through:
 - a. website;
 - b. written media at the UPS service counter; and/or
 - c. other communication and information media.

Paragraph 10
Emergency Services

Article 90

- (1) UPS operators must own and implement special security system for handling UPS and assets in a state of emergency.
- (2) The state of emergency as referred to in paragraph (1) is a state resulted by either a natural or non-natural disaster.

- (3) The special security system as referred to in paragraph (1) aims to maintain the safety of life, property, and continuity of service.
- (4) To ensure the continuity of UPS operations in an emergency state as referred to in paragraph (2), UPS operators must provide emergency services.
- (5) The emergency service standard as referred to in paragraph (3) includes:
 - a. access to services using emergency service facilities and infrastructure;
 - b. service schedule carried out according to emergency conditions;
 - c. use of casual human capital;
 - d. standard of items delivery time that is adjusted to emergency conditions;
 - e. continual assurance of security and confidentiality of items;
 - f. uninterrupted service to receive complaints, suggestions, and feedbacks;
 - g. public announcement related to services in emergency situations; and
 - h. continual imposition of UPS tariff determined by the Government.
- (6) UPS operators must report to the Director General in the event that UPS office discontinues operation due to emergency situations.

Article 91

- (1) In providing minimum service standard in the UPS operations, UPS operators must determine an SOP.
- (2) The SOP as referred to in paragraph (1) cover all service operations.

Paragraph 11 Compensation

Article 92

- (1) UPS Operators must provide compensation or compensation to Post Service Users related to delay, loss, incompatibility of services and/or damage to universal Postal items caused by the provision of UPS services.
- (2) The compensation or return for losses and/or damage to universal Postal items as referred to in paragraph (1) is given in accordance with an agreement between Post Service Users and UPS operators before the service is used by Post Service Users.
- (3) Delays, losses, incompatibility of services, and or damage caused by the provision of services is given compensation amounting to 10 (ten) times of delivery fees, unless the item is insured.
- (4) Compensation for delays, losses and/or damage to international items is provided in accordance with the provisions of the Universal Postal Union acts.

- (5) Post Services Users submit claims to the UPS operators in accordance with the procedures stipulated by UPS Operators accompanied by clear and complete evidence.
- (6) UPS operators have no obligation to provide compensation if delays, losses and/or damage occur due to force majeure and/or as a result of errors or negligence by Post Service Users.

Part Eight

Oversight of the Provision of the Universal Postal Service

Article 93

Provision of UPS operations is subject to inspection by an authorized body or an agency in accordance with the provisions of laws and regulations.

CHAPTER V

Universal Post Service Operations Contribution Obligation

Part One

Universal Post Service Operations Contribution

Article 94

Any Post Operators must pay UPS Operations Contribution.

Article 95

- (1) The UPS Operations Contribution is 0.25% (zero point twenty five percent) of the net profit of Postal Operations after being deducted by taxes for all types of services in accordance with the provisions of laws and regulations.
- (2) The net profits of the Postal Operations as referred to in paragraph (1) are entire revenues derived from the Postal Operations services after being deducted by the costs associated with the Postal Operations.
- (3) The UPS operations Contribution as referred to in paragraph (1) also applies to operational subsidies obtained by Postal Operator assigned as UPS Operator.

Article 96

- (1) Postal Operators must make UPS operations Contribution payments every year no later than May 31 of the following year.
- (2) The payments as referred to in Article 94 are made per quarter or per semester.

Part Two

Procedures for Calculation of the Amount of Universal Postal Services Operation Contribution

Article 97

- (1) The amount of the UPS operation contribution by Postal Operators is self-calculated by referring to the

financial statements audited by a public accountant's office.

- (2) In the event that the Postal operator's financial statements are not audited by a public accounting firm, the calculation of the amount of the UPS Operations Contribution as referred to in paragraph (1) refers to the financial report signed by the president director or an authorized company official in accordance with the provisions of laws and regulations.

Article 98

- (1) In the event that the financial statements as referred to in Article 97 paragraph (1) have not been audited by a public accounting firm until the payment is due, UPS Operations Contribution payment is calculated based on the unaudited financial statements.
- (2) In the event that UPS Operations Contribution paid as referred to in paragraph (1) is less than the amount calculated based on the audited financial report, Post Operators must pay the principal underpayment and is subject to late payment fines.
- (3) In the event that the paid UPS Operations Contribution as referred to in paragraph (1) is greater than what should be paid based on the audited financial statements, the excess payment is calculated as an advance payment for the UPS Operations Contribution in the following year.

Article 99

- (1) Any Postal Operator whose financial report include revenues sourced from non-Postal Operations must separate all revenues and costs related to Postal Operations in the report for calculating the amount of the UPS Operations Contribution.
- (2) The separation of all revenues and costs related to the Postal Operations as referred to in paragraph (1) is carried out proportionally by referring to the composition of income and costs listed in the financial reports.
- (3) The amount of tax that becomes a deduction from net profit as the basis for calculating the amount of the UPS Operations Contributions is determined proportionally by referring to the amount of tax stated in the financial reports.
- (4) The calculation of the amount of the UPS Operations Contributions as referred to in paragraph (1), paragraph (2), and paragraph (3) is calculated in accordance with the calculation method as listed in Appendix I, which is an integral part of this Ministerial Regulation.
- (5) In the event that the Postal Operator is unable to separate all revenues and costs related to the UPS Operations Contributions as referred to in paragraph (1), the calculation of the amount of the UPS

Operations Contribution is calculated from all revenues and costs contained in the financial reports.

Part Three
Universal Postal Services Operations Contribution Deposit

Article 100

All proceeds of UPS Operations Contribution as referred to in Article 94 is deposited directly to the state treasury through the Revenue Treasurer's account at a State-Owned Bank.

Article 101

Revenue Treasurer reports all receipts of the UPS Operations Contribution every month to the Minister no later than the 10th (tenth) day of the following month with copies to the Secretary General of Ministry of Communications and Informatics, Inspector General of Ministry of Communications and Informatics, and the Director General.

Part Four
Procedures for Submitting Documents and Determining the amount of Universal Postal Services Operations Contribution

Article 102

- (1) In fulfilling the obligation to pay for the UPS Operations Contribution, Postal Operators must submit documents no later than 14 (fourteen) days after the payment due date as referred to in Article 96 paragraph (1) at least consist of:
 1. financial reports;
 2. proof of payment transfer for the UPS Operation Contribution;
 3. annual tax return; and
 4. documents as a basis for calculating the amount of UPS Operation Contribution.
- (2) The financial reports as referred to in paragraph (1) letter a are in the form of financial reports that have been audited by a public accounting firm in 1 (one) period of the financial year from January to December or according to the reporting period of the annual tax return.
- (3) Postal Operators whose financial reports are not audited by a public accounting firm as referred to in Article 97 paragraph (2) must attach a statement letter that no audit has been carried out by a public accounting firm according to the format as stipulated in Appendix II, which serves as an integral part of this Ministerial Regulation.
- (4) The documents as referred to in paragraph (1) are submitted electronically to the Director General in this case to the Director with attached statement letter of document correctness in accordance with the format

as listed in Appendix III, which serves as an integral part of this Ministerial Regulation.

- (5) The document as the basis for calculating the amount of the UPS Operations Contribution as referred to in paragraph (1) letter d is formulated in accordance with the format as stipulated in Appendix IV, which serves as an integral part of this Ministerial Regulation.

Article 103

- (1) For the purpose of determining the amount of Contribution to the UPS Operation, Verification of the Contribution to the UPS Operation is carried out for each Postal Operator.
- (2) Verification of Contribution to the UPS Operation as referred to in paragraph (1) is carried out by officers appointed by the Director General.
- (3) The officer as referred to in paragraph (2) first sign an integrity pact in accordance with the format as stated in Annex V, which forms an integral part of this Ministerial Regulation.
- (4) In the UPS Operations Contribution Verification, the officer as referred to in paragraph (2) may request records and/or documents that serve as the basis for recording as well as other documents related to payment obligations.
- (5) Postal Operators may request Verification of Contribution for the UPS Operations after making payments and submitting the documents as referred to in Article 102 paragraph (1).
- (6) The results of the UPS Operation Contribution Verification as referred to in paragraph (1) are stated in the minutes of decision of final verification.
- (7) In the event of a discrepancy in the amount of the UPS Operation Contribution based on the Verification of the UPS Operation Contribution as referred to in paragraph (1), the officers appointed by the Director General make explanatory material concerning the discrepancy in the results of the UPS Operation Contribution Verification as stated in the minutes of decision of nonfinal verification.

Article 104

- (1) The UPS Operation Contribution Verification as referred to in Article 103 paragraph (1) is carried out annually for Postal Operators with a gross income exceeding Rp 4,800,000,000.00 (four billion eight hundred million rupiah) per year.
- (2) For Postal Operators with a gross income of less than Rp 4,800,000,000.00 (four billion eight hundred million rupiah) per year, UPS Operation Contribution Verification is carried out at least once every 5 (five) years.

Article 105

- (1) To determine the amount of UPS Operation Contribution, in addition to the Verification as referred to in Article 103 paragraph (1), the Director General may request the Audit Agency to conduct an audit of the Postal Operator.
- (2) The amount of UPS Operation Contribution may be determined by the Audit Agency in accordance with the provisions of laws and regulations.
- (3) The result of the audit and determination made by the Audit Agency as referred to in paragraph (1) and paragraph (2) is stated in a payment notification issued by the Director.

Article 106

- (1) In the event that results of the UPS Operation Contribution verification and/or audit as referred to in Article 103 paragraph (6) and determination of the amount of the UPS Operation Contribution as referred to in Article 105 paragraph (3) show an underpayment of UPS Operation Contribution obligation principal, Postal Operators must pay the principal underpayment and late payment fine if the payment is made after the due date as referred to in Article 96 paragraph (1).
- (2) In the event of the principal underpayment and late payment fine as referred to in paragraph (1), a notice of underpayment and invoice are issued.
- (3) In the event that results of the UPS Operation Contribution Verification as referred to in Article 103 paragraph (6) and Article 105 paragraph (3) show an overpayment of UPS Operation Contribution obligation principal, the overpayment is considered as part of advance payment of the next year and a notice of overpayment and invoice are issued.
- (4) In the event that results of the UPS Operation Contribution Verification as referred to in Article 103 paragraph (6) and Article 105 paragraph (3) show neither overpayment nor underpayment of UPS Operation Contribution obligation, a notice of nil payment is issued.

Article 107

The UPS Operation Contribution is collected by the Directorate General based on the SOP stipulated by the Director General.

Part Five Objection

Article 108

Postal Operators may submit objection to the result of the determined amount of the UPS Operation Contribution as referred to in Article 105 paragraph (3) not later than 3 (three) months from the date of determination under terms and procedures in accordance with the provisions of laws and regulations.

Article 109

- (1) The imposition of the late payment fine as a result of late payment or principal underpayment as referred to in Article 98 paragraph (2) and Article 106 paragraph (1) is calculated from the due date as referred to in Article 96 paragraph (1).
- (2) The amount of the late payment fine as referred to in paragraph (1) is 2% (two percent) per month of the outstanding UPS Operation Contribution and part of a month is counted as 1 (one) full month.
- (3) The late payment fine as referred to in paragraph (2) is imposed for a maximum of 24 (twenty-four) months.

Article 110

- (1) The Director issues the first invoice for the Postal Operator with outstanding principal underpayment and late payment fine based on the provisions as referred to in Article 103 paragraph (6) and/or Article 105 paragraph (3).
- (2) The first invoice as referred to in paragraph (1) is issued not later than 10 (ten) days after the due date of payment based on the decision as referred to in Article 103 paragraph (6) and/or Article 105 paragraph (3).
- (3) In the event that after a period of 1 (one) month from the issuance of the first invoice as referred to in paragraph (2) the Postal Operator fails to fulfill its obligation, a second invoice is issued.
- (4) In the event that after a period of 2 (two) months from the issuance of the second invoice as referred to in paragraph (3) the Postal Operator fails to fulfill its obligation, a third invoice is issued.
- (5) In the event that after a period of 3 (three) months from the issuance of the third invoice as referred to in paragraph (4) the Postal Operator fails to fulfill its obligation, the following provisions apply:
 - a. transfer of the collection to the agency authorized to manage state receivables to be processed in accordance with the provisions of laws and regulations;
 - b. transfer of the collection to the authorized agency as referred to in letter a, supplemented with due date for settlement;
 - c. imposition of administrative sanctions in the form of a maximum of 3 (three) written reprimands with a period of 7 (seven) days respectively;
 - d. imposition of administrative sanctions in the form of temporary suspension of business activities, provided that after the period of the third reprimand the obligation to pay off the principal underpayment and the late payment fine as referred to in letter c is not fulfilled; and/or
 - e. imposition of administrative sanctions in the form of revocation of Business Licensing, provided that the obligation of principal underpayment and the late

payment fine are not fulfilled until the period of 5 (five) years.

Part Six
Reporting

Article 111

- (1) All Postal Operators must report their self calculation of the UPS Operation Contribution for every financial year not later than 31 January of the following year.
- (2) In the event that the Postal Operators do not submit their self calculation report as referred to in paragraph (1) until 31 January of the following year, the Director General calculates the UPS Operation Contribution based on the previous year's UPS Operation Contribution calculation or other relevant data.
- (3) After the reporting of the UPS Operation Contribution has been carried out both with the self calculation and verification, the Director General issues a notice on Payable PNBP.
- (4) Payers may propose revisions to the report of self calculation on UPS Operation Contribution, provided that they meet the specified requirements until the payment due date as referred to in Article 96 paragraph (1).

Article 112

Self calculation reporting, collection, and management of UPS Contribution are carried out through an electronic system.

CHAPTER VI
COOPERATION WITH FOREIGN POSTAL OPERATORS

Article 113

- (1) Foreign Postal Operators may operate Postal services in the territory of the Unitary State of the Republic of Indonesia under the following conditions:
 - a. they must cooperate with national Postal Operators through joint ventures; and
 - b. their operational area is limited within provincial capital.
- (2) Foreign Postal Operators may only establish the joint venture enterprise as referred to in paragraph (1) letter a with one national Postal Operator.
- (3) The joint venture as referred to in paragraph (1) letter a is operated in the form of a limited liability company by taking parts of shares when the limited liability company is established.
- (4) Procedures and mechanisms for foreign investment are implemented in accordance with the provisions of laws and regulations in the field of investment.

Article 114

- (1) The joint venture Postal Operators as referred to in Article 113 paragraph (1) letter a may not provide intercity delivery service within the territory of the Unitary State of the Republic of Indonesia.
- (2) The intercity delivery service as referred to in paragraph (1) may be provided through joint operations with national Postal Operators.
- (3) Agreement for the joint operation as referred to in paragraph (2) contains at least:
 - a. roles and responsibilities of each party;
 - b. risk sharing on security, safety, and confidentiality of postal items; and
 - c. fulfilment of delivery minimum service standard.

CHAPTER VII SUPERVISION AND CONTROL

Article 115

- (1) The Director General supervises and controls the implementation of Postal Operations.
- (2) The supervision and control as referred to in paragraph (1) is implemented in the form of monitoring and evaluation.
- (3) The monitoring and evaluation as referred to in paragraph (2) is carried out at the minimum of once a year and/or incidentally.
- (4) Result of the monitoring and evaluation as referred to in paragraph (3) is reported to the Minister.
- (5) The monitoring result as referred to in paragraph (4) serves as a material for evaluation of Postal Operation Business Licensing.
- (6) The monitoring and evaluation as referred to in paragraph (3) may include stakeholders in the Postal sector.

Article 116

- (1) Supervision of and control over Financial Transaction Services related to fund transfer activities are carried out by Bank Indonesia.
- (2) The Minister coordinates with Bank Indonesia on results of the supervision and control as referred to in paragraph (1).
- (3) Supervision of and control over Postal Savings and Postal Giro services are carried out jointly and/or in coordination with authorized institutions in accordance with the provisions of laws and regulations.

Article 117

The Director General records data and information on Postal Operations in an information technology database format.

Article 118

- (1) A comprehensive evaluation of Postal Operations is carried out at least once in 5 (five) years for compliance of Postal Operations.
- (2) The evaluation as referred to in paragraph (1) serves as a basis for considering a decision on the assessment of the feasibility of a Postal Operator in carrying out its business activities.

Article 119

SOP for monitoring and evaluation of Postal Operations is established by the Director General.

Article 120

Further provisions on procedures for implementation of supervision of Postal Savings are regulated by a Ministerial Regulation after coordinating with the Financial Services Authority.

CHAPTER VIII
OPERATIONAL OBLIGATIONS AND ADMINISTRATIVE
SANCTIONS

Part One

Postal Operations Obligations

Article 121

- (1) Postal Operators must comply with the provisions of operation as follows:
 - a. starting Postal Operation not later than 6 (six) months from the issuance of Postal Operation Business Licensing;
 - b. submitting a Postal Operations report which at least contains:
 1. type of service;
 2. production volume;
 3. service tariff;
 4. achievement of Service Standards;
 5. operational area; and
 6. number of personnel.
 - c. fulfilling the obligation to pay UPS Operations Contributions;
 - d. submitting documents after fulfilling the obligation to pay the UPS Operations Contributions as referred to in Article 102 paragraph (1);
 - e. providing a postal network in accordance with the Business Licensing obtained;
 - f. reporting to the Minister when making changes to the deed of establishment or composition of shareholders and/or the amount of share ownership in accordance with the provisions of laws and regulations;
 - g. providing Financial Transaction Services related to Postal Money Orders and Fund Transfer activities by not sharing yield;

- h. not providing loans and/or credit in Financial Transaction Services in accordance with the provisions of laws and regulations;
 - i. investing funds from the public in Postal Giro and/or Postal Savings in the form of low-risk investment instruments in accordance with the provisions of laws and regulations;
 - j. opening access to and providing requested information for monitoring and evaluation purposes in the forms of:
 - 1. data and information contained in the Postal Operation report as referred to in letter b; and/or
 - 2. additional data and information other than those reported in the Postal Operations report, which at least contains:
 - b) report on the availability of postal networks after a disaster; and/or
 - c) disruption to technology utilization of shipment tracking system.
 - k. complying with the terms of cooperation with foreign Postal Operators as referred to in Article 113 and Article 114; and/or
 - l. complying with the provisions of Postal Operations and the provisions of other laws and regulations.
- (2) The Postal Operations Report as referred to in paragraph (1) letter b shall be submitted annually not later than 31 January of the following year with a reporting period of 1 January to 31 December.
- (3) In carrying out monitoring and evaluation as referred to in paragraph (1) letter j, the Minister may establish a monitoring system for Postal Operations by utilizing information and communication technology.
- (4) The report on the Postal Operations as referred to in paragraph (1) letter b is submitted in accordance with the format as stated in Annex VI, which forms an integral part of this Ministerial Regulation.

Part Two Obligations of Courier Agent Operations

Article 122

Business Actors who carry out courier agent business activities must fulfill the following conditions:

- a. meet the business standards of courier agent activities;
- b. refrain from carrying out activities of collecting and processing postal items that are dangerous in nature;
- c. provide valid and correct information to consumers regarding service products, service tariffs or fees, service time certainty, service procedures, service SOPs, complaint procedures, and channels for submission of suggestions and feedback;
- d. have a cooperation agreement as a courier agent with a Postal Operator;
- e. ensure consumer protection; and

- f. comply with the provisions of the laws and regulations in the postal sector and the provisions of other laws and regulations.

Part Three

Aim of Imposition of Administrative Sanctions

Article 123

The imposition of administrative sanctions aims to:

- a. increase the compliance of Business Actors with the provisions of laws and regulations;
- b. increase infrastructure penetration and quality of postal services; and
- c. guarantee the rights of Postal Service Users.

Part Four

Violations and Administrative Sanctions

Article 124

- (1) Any violations against the Business Licensing and/or the provisions as referred to in Article 121 paragraph (1) and Article 122 are subject to administrative sanctions.
- (2) The violations as referred to in paragraph (1) are identified based on:
 - a. results of the monitoring and/or evaluation as referred to in Article 115 paragraph (3); \inspection results originating from information or reports of public complaints; and/or
 - b. results of direct supervision and findings in the field.
- (3) The administrative sanctions as referred to in paragraph (1) are in the forms of:
 - a. written reprimand;
 - b. imposition of administrative fines;
 - c. temporary suspension of business activities;
 - d. police coercion; and/or
 - e. termination of services and/or Business Licensing
- (4) The administrative sanctions as referred to in paragraph (3) are imposed by the Minister, the Director General, or the Director according to their respective authorities.
- (5) The administrative sanctions as referred to in paragraph (3) letter c and/or letter d are imposed based on an assignment order that is documented and stated in an official report.
- (6) In the event that the administrative sanctions as referred to in paragraph (3) are imposed on a Business Actor without the Business Licensing as stipulated in the laws and regulations, the administrative sanctions are preceded by an order to stop the violation, which at least contains the article violated, threats of sanctions, time limits, and order to stop activities that violate the provisions.

- (7) Administrative sanctions may be imposed in stages or independently for each type of administrative sanctions.
- (8) The imposition of administrative sanctions does not eliminate the obligation of Business Actors to fulfill the Business Licensing obligations and/or comply with the provisions that have been violated as referred to in Article 121 paragraph (1) and Article 122.
- (9) The Minister coordinates with Bank Indonesia in imposing the administrative sanctions as referred to in paragraph (3) on Postal Operators providing Financial Transaction Services related to fund transfer activities.

Article 125

- (1) Results of inspection of violations against provisions of laws and regulations in the Postal sector, which are indicated as criminal acts in the Postal sector, are submitted to civil servant investigators.
- (2) The handling of criminal act in the Postal sector does not eliminate the imposition of administrative sanctions.

Part Five

Procedures for Imposing Administrative Sanction of Written Reprimands

Article 126

- (1) The Director General issues a written reprimand to Business Actors who violate and/or fail to fulfill the Business Licensing obligations not later than 10 (ten) Days from the identification of the violations of obligations stated in the official report and/or other forms of evidence.
- (2) The written reprimand as referred to in paragraph (1) contains an order to immediately fulfill the business obligations or conduct business activities in accordance with the provisions within the time period set and states the subsequent stages of administrative sanctions in accordance with the provisions of laws and regulations.
- (3) The written reprimand as referred to in paragraph (1) is given not more than 3 (three) times within a period of 30 (thirty) days respectively.
- (4) The written reprimand as referred to in paragraph (3) is submitted via:
 - a. mail and/or online means for the first reprimand;
 - b. mail and/or online means for the second reprimand; and
 - c. online means for the third reprimand.
- (5) The process of imposing a written reprimand as referred to in paragraph (3) ends if a Business Player has fulfilled their obligations.

Part Six

Procedure for Raising Objections

Article 127

- (1) Objection is an administrative effort that may be submitted by a Business Player who is subject to administrative sanctions.
- (2) Objection does not delay the imposition of administrative sanctions.
- (3) A Business Player may submit objections to the Director General within a maximum period of 21 (twenty one) Days from the first issuance of a written reprimand according to the type of violation by attaching supporting documents.
- (4) A Business Player who submit the objection to the violation decision as referred to in paragraph (1) must submit a statement of objection and supporting evidence of not committing a violation.
- (5) The Director General resolves the objection as referred to in paragraph (3) not later than 10 (ten) days after receiving the objection as evidenced by the receipt of the letter.
- (6) In the event that the Director General fails to resolve the objection within the period as referred to in paragraph (5), the objection is considered granted.
- (7) The Director General makes a decision to accept or reject the objection not later than 5 (five) days after the expiration of the grace period as referred to in paragraph (5).
- (8) In the event that the objection is accepted, the administrative sanction imposed related to the violation of obligation is null and void.
- (9) In the objection resolution process as referred to in paragraph (5), the Director General has the authority to request additional information from the Business Player or other parties deemed necessary.

Part Seven

Procedures for Imposing Administrative Fines

Article 128

- (1) The Director issues a payment notice for the imposition of administrative fines that contains:
 1. the amount of the fine imposed;
 2. payment due date;
 3. method of deposit; and
 4. information on late payment fines in accordance with the provisions of laws and regulations.
- (2) The payment notice as referred to in paragraph (1) is issued not later than 10 (ten) days after the deadline for the last written reprimand and/or since the identification of the violations of obligation stated in the final report and/or other forms of evidence.
- (3) The due date for payment as referred to in paragraph (1) letter b is 1 (one) month after the issuance of the payment notification.

- (4) If within 10 (ten) days after the payment due date as referred to in paragraph (3) a Business Player has not paid off or fails to pay off their obligations, the Director issues the first invoice.
- (5) If within a period of 1 (one) month from the issuance date of the first invoice as referred to in paragraph (4), a Business Player has not paid off or fails to pay off their obligations, the Director issues a second invoice.
- (6) If within a period of 2 (two) months from the issuance date of the second invoice as referred to in paragraph (5), a Business Player has not paid off or fails to pay off their obligations, the Director issues a third invoice.
- (7) If within a period of 3 (three) months from the issuance date of the third invoice as referred to in paragraph (6), a Business Player has not paid off or fails to pay off their obligations, the following provisions apply:
 - a. a Business Player is subject to sanctions in accordance with the provisions of laws and regulations; and/or
 - b. transfer of the collection is done to the agency authorized to manage state receivables to be processed in accordance with the provisions of laws and regulations in the field of state receivables.
- (8) Late payment of fines that exceed the payment due date as stipulated in the payment notice is subject to a late payment penalty of 2% (two percent) per month of the amount of fines to be paid and part of the month is counted as 1 (one) full month.
- (9) The penalty for late payment as referred to in paragraph (8) is imposed for a maximum period of 24 (twenty-four) months.
- (10) Payment of administrative sanctions in the form of fines by a Business Player is made directly to the state treasury through the Revenue Treasurer's account at a designated state-owned bank.

Part Eight

Procedure for Temporary Suspension of Business Activities

Article 129

- (1) The temporary suspension of business activities as referred to in Article 124 paragraph (3) letter c is an administrative sanction to suspend the operational activities of a Business Player within a certain period of time, no longer than 1 (one) year.
- (2) The temporary suspension of business activities as referred to in paragraph (1) ends after the fulfillment of the obligations of a Business Player arising from the committed violations.
- (3) In the event that the Business Player who is imposed with administrative sanction in the form of temporary

suspension of business activities has fulfilled their obligations before the period of suspension of business activities ends, the Business Player must report to the Director ordering the temporary suspension of business activities.

Part Nine
Procedures for Imposition of Administrative Sanctions with
Policing Enforcement

Article 130

- (1) The Police Enforcement as referred to in Article 124 paragraph (3) letter d may be in the forms of:
 - a. requesting the identity of the offender and documenting in digital form;
 - b. entering and inspecting the location of business activities;
 - c. requesting information from the Business Player committing the violation;
 - d. summoning the Business Player committing the violation; and/or
 - e. temporary sealing of supporting devices and/or equipment used for business activities.
- (2) The Police Enforcement as referred to in paragraph (1) may be carried out simultaneously with the imposition of administrative sanction in the form of temporary suspension of business activities.

Part Ten
Procedures for Revocation of Service and/or Business
Licensing

Article 131

- (1) The Director General issues a recommendation for termination of services and/or Business Licensing as the final stage in the imposition of administrative sanctions.
- (2) Termination of services and/or Business Licensing may be carried out immediately if violations committed by a Business Player endanger the safety of the state and/or potentially bring losses to the state.
- (3) The termination of services and/or Business Licensing as referred to in paragraph (2) does not eliminate obligations of a Business Player to the state's receivables.

Part Eleven
Details of Administrative Sanction Imposition

Article 132

Provisions on details on the imposition of administrative sanctions as referred to in Article 124, Article 126, and Article 128 until Article 131 are stated in Appendix VII,

which serves as an integral part of this Ministerial Regulation.

Part Twelve
Blacklist

Article 133

- (1) Directors, administrators, individuals and/or juristic person of Business Players may be put on a Blacklist of Operators in the event that the Business Players are given an administrative sanction in the form of termination of services and/or Business Licensing.
- (2) Directors, administrators, individuals, and/or juristic person of Business Players listed in a Blacklist of Operators are prohibited from engaging in Postal Operations.
- (3) Directors, administrators, individuals, and/or juristic person of Business Players may be de-listed from the Blacklist of Operator:
 - a. 2 (two) years since the date of being listed in a Blacklist of Operators; and/or
 - b. after the obligations in the form of state receivables are fulfilled.

Part Thirteen
Imposition of Administrative Sanctions in UPS Operations

Article 134

- (1) Provisions on the procedures for imposition of administrative sanctions in Postal Operations as referred to in Articles 124 to 132 do not apply to UPS operations.
- (2) The imposition of administrative sanctions in UPS operation is based on the agreement as referred to in Article 64 and in accordance with the provisions of laws and regulations.

Part Fourteen
Imposition of Sanctions in Economic Zones and Free Trade Zones and Free Ports

Article 135

Administrative sanctions in Special Economic Zones and/or Free Trade Zones and Free Ports are imposed based on authority in accordance with the provisions of laws and regulations

CHAPTER IX
TRANSITIONAL PROVISIONS

Article 136

- (1) Postal Operators that provide Postal Giro and/or Postal Savings services prior to the establishment of this Ministerial Regulation may continue their activities and must make adjustment in accordance with the

provisions in this Ministerial Regulation not later than 2 (two) years after this Ministerial Regulation comes into force.

- (2) The obligation of Postal Operators that have provided Postal Giro and/or Postal Saving services to make adjustment in accordance with this Ministerial Regulation as referred to in paragraph (1) does not include the obligation on paid-up capital as referred to in Article 15 paragraph (1).

Article 137

In the event that this Ministerial Regulation comes into force:

- a. the amount of the UPS tariff as regulated in Ministerial Regulation Number 29 of 2013 on Universal Postal Service Tariff remains valid until a new UPS tariff is determined;
- b. Decision of Minister of Communications and Informatics Number 1670 of 2016 on the Assignment of PT. Pos Indonesia (Persero) as Designated Operator remains valid until a new Ministerial Decision is issued; and
- c. existing and prevailing UPS agreement is declared to remain valid until the expiration of the term of the agreement.

CHAPTER X CLOSING PROVISIONS

Article 138

At the time this Ministerial Regulation comes into force, Postal Operations provisions prevailing prior to the establishment of this Ministerial Regulation are declared to remain valid insofar as they do not contradict this Ministerial Regulation.

Article 139

As from the time at which this Ministerial Regulation comes into force:

- a. Regulation of Minister of Communications and Informatics Number 22 of 2013 on Universal Postal Service Operations (Official Gazette of the Republic of Indonesia Year 2013 Number 980);
- b. Regulation of Minister of Communications and Informatics Number 29 of 2013 on Universal Postal Service Tariffs (Official Gazette of the Republic of Indonesia Year 2013 Number 1546);
- c. Regulation of Minister of Communications and Informatics Number 4 of 2017 on Mechanism of Universal Postal Service Contribution (Official Gazette of the Republic of Indonesia Year 2017 Number 163);
And
- d. Article 5, Article 6 paragraph (5), Article 7, Article 8, Article 9, Article 11, Article 23, Article 25, and Article 36 of Regulation of Minister of Communications and

Informatics Number 7 of 2017 on Requirements and Procedures for Granting Postal Operations Permits (Official Gazette of the Republic of Indonesia Year 2017 Number 232),
are repealed and declared ineffective.

Article 140

This Ministerial Regulation comes into force on the date of its promulgation.

For public cognizance, it is hereby ordered that this Ministerial Regulation be promulgated in the Official Gazette of the Republic of Indonesia.

Established in Jakarta
on 1 April 2021

MINISTER OF COMMUNICATIONS
AND INFORMATICS OF THE
REPUBLIC OF INDONESIA,

Signed

JOHNNY G. PLATE

Promulgated in Jakarta
on 1 April 2021

DIRECTOR GENERAL OF LAWS AND REGULATIONS
MINISTRY OF LAW AND HUMAN RIGHTS
OF THE REPUBLIC OF INDONESIA,

Signed

WIDODO EKATJAHJANA

OFFICIAL GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2021
NUMBER 302

