REGULATION OF THE GOVERNMENT OF THE REPUBLIC OF INDONESIA
NUMBER 50 OF 2005
ON
BROADCASTING OPERATIONS BY PRIVATE BROADCASTING INSTITUTIONS

BY THE GRACE OF THE ONE AND ALMIGHTY GOD

PRESIDENT OF THE REPUBLIC OF INDONESIA,

Considering: that in order to implement the provision of Article 16, Article 17, Article 18, Article 31 paragraph (3) and paragraph (4), Article 32 paragraph (2), Article 33 paragraph (8), and Article 55 paragraph (3) Law Number 32 of 2002 on Broadcasting, it is necessary to establish a Government Regulation on Broadcasting Operations by Private Broadcasting Institution;

Noting: 1. Article 5 Paragraph (2) of the 1945 Constitution of the Republic of Indonesia;
2. Law Number 32 of 2002 on Broadcasting (State Gazette of the Republic of Indonesia Year 2002 Number 139, Supplement to State Gazette of the Republic of Indonesia Number 4252);

HAS DECIDED:

To establish: GOVERNMENT REGULATION ON BROADCASTING OPERATIONS BY PRIVATE BROADCASTING INSTITUTIONS.

CHAPTER I
GENERAL PROVISIONS

Article 1

In this Government Regulation, the following terms have the following meanings:
as referred to in Law Number 32 of 2002 on Broadcasting.

2. Private Broadcasting Institution means a commercial broadcasting institution established under Indonesian law, whose business field is only providing television or radio broadcasting service.

3. Network Station System means the management controlling the broadcast relay regularly for each broadcasting institution.

4. Local Broadcasting Station means a station established in a certain location with limited coverage area and has its own studio and transmitter.

5. Broadcast Coverage Area means broadcast service area based on the license granted, where there is a guarantee that signal can be well-received and free from interference from other radio frequency signals.

6. Broadcast Show Classification means the classification of broadcast show based on the content of the broadcast related to the age of the audience and the targeted audience.

7. Joint Meeting Forum means a coordinating forum between the Indonesian Broadcasting Commission and the Central Government having the authority to decide whether to accept or deny the broadcasting operations license proposal and broadcasting operations license renewal proposal.

8. Applicant means an individual, an Indonesian citizen, who acts for and on behalf of an Indonesian juristic person.

9. Minister means the minister whose scope of duties and responsibilities is in the communication and information field.

10. Indonesian Broadcasting Commission, hereinafter referred to as the KPI, means an independent state institution at the central and regional levels, which serves as a manifestation of the public participation in broadcasting field, whose duties and authorities are stipulated in Law Number 32 of 2002 on Broadcasting.

CHAPTER II
ESTABLISHMENT AND LICENSING

Part One
General Provisions

Article 2

(1) Private Broadcasting Institution shall be operated through a terrestrial system and/or through a satellite system with the following classifications:
   a. Broadcasting operations through a terrestrial system shall comprise:
      1. analog or digital AM/MW radio broadcasting;
2. analog or digital FM radio broadcasting;
3. analog or digital television broadcasting;
4. multiplexing broadcasting.

b. Broadcasting operations through satellite system shall comprise:
1. analog or digital radio broadcasting;
2. analog or digital television broadcasting;
3. multiplexing broadcasting.

(2) In operating multiplexing broadcasting, Private Broadcasting Institution shall broadcast only 1 (one) broadcast program.

(3) Further provisions on the broadcasting operations through terrestrial and satellite systems as referred to in paragraph (1) letter a and letter b shall be stipulated in a Ministerial Regulation.

Part Two
Requirements for Establishment

Article 3

(1) Private Broadcasting Institution shall fulfill the following requirements:
a. it shall be established by Indonesian citizens;
b. it shall be established in the form of Indonesian juristic person, that is, limited liability company;
c. its business field shall only operate radio or television broadcasting services;
d. its whole initial capital shall be owned by Indonesian citizens and/or Indonesian juristic persons whose shares are owned by Indonesian citizens.

(2) Further provisions on the requirements for establishing a Private Broadcasting Institution shall be stipulated in a Ministerial Regulation.

Part Three
Licensing Procedures and Requirements

Article 4

(1) Prior to performing its operations, a Private Broadcasting Institution shall obtain broadcasting operations license.

(2) In order to obtain the broadcasting operations license for Private Broadcasting Institution, Applicants shall submit a written application for the license to the Minister through the KPI, by completing the form
provided and fulfilling the requirements as referred to in this Government Regulation.

(3) Application as referred to in paragraph (2) shall be made in 2 (two) copies, with 1 (one) copy for the Minister and the other for the KPI, by attaching administrative, broadcast program, and broadcasting technical data requirements, as follows:

a. Administrative requirements:
   1. backgrounds, goals, and objectives of the establishment with the name, vision, missions, and the form of broadcast to be operated;
   2. the deed of establishment of company and its modifications as well as verification as a juristic person or it has been registered to the authorized institution;
   3. the structure and name of the management of broadcasting operator;
   4. feasibility study and work plan;
   5. description on capital aspect;
   6. description on revenue projection from advertisement and other legitimate revenue relating to broadcasting operations;
   7. list of print media, Private Broadcasting Institution operating radio broadcasting services, and/or television broadcasting services owned by Applicants;
   8. description of the organizational structure from the highest to the lowest working unit, including description of work procedures attached to any working unit.

b. Broadcast programs:
   1. description on broadcasting time, sources of material for broadcast program, target audience, and competitiveness;
   2. the percentage of the whole programs and the detail of music broadcast, as well as the schedule of daily and weekly programs.

c. Broadcasting technical data:
   1. inventory list of the facilities and infrastructure to be used, including studio and transmitter devices, number, and types of studios as well as the investment cost calculation;
   2. studio layout and location map of the broadcasting station, transmitting station layout and location map, as well as maps of broadcasting coverage and service areas;
   3. technical specification and device system to be used and block diagram of its configuration system;
   4. proposal of frequency channel and expected contour diagram.
Article 5

(1) After receiving the application letter as referred to in Article 4 paragraph (3), the KPI shall verify the completeness of the requirements for broadcast program based on the requirements as referred to in Article 4 paragraph (3) letter b.

(2) After receiving the application letter as referred to in Article 4 paragraph (3), the Minister shall verify the completeness of administrative requirements and broadcasting technical data as referred to in Article 4 paragraph (3) letter a and letter c.

(3) If the Applicants fail to fulfill the requirements and the completeness of application as referred to in Article 4 paragraph (3), the KPI and/or the Minister shall inform the Applicants or their power of attorney in writing to complete the requirements no more than 15 (fifteen) working days from the receipt date of the notification letter.

(4) If the Applicants fail to fulfill the requirements and completeness of the application in the period as referred to in paragraph (3), the Applicants shall be considered to have canceled or withdrawn their applications.

(5) In a period of no later than 30 (thirty) working days from the fulfillment of requirements and the completeness of the application as referred to in Article 4 paragraph (3), the KPI shall conduct an evaluation hearing with the Applicants.

(6) In a period of no later than 15 (fifteen) working days from the conclusion of the evaluation hearing, the KPI shall provide a recommendation of feasibility of the broadcasting operations and suggest the allocation and use of radio frequency spectrum to the Minister.

(7) In a maximum period of 15 (fifteen) working days from the receipt of the recommendation of feasibility of broadcasting operations and proposal of allocation and use of radio frequency spectrum from the KPI as referred to in paragraph (6), the Minister shall invite the KPI and related institutions to hold a Joint Meeting Forum.

(8) The Minister may request for an explanation from the KPI on the applications that have not been given recommendation of feasibility after 60 (sixty) working days from the receipt of the applications by the Minister.
(9) The Joint Meeting Forum as referred to in paragraph (7) shall be held in order to give approval or denial on the broadcasting operations license through the joint assessment on the recommendation of feasibility of broadcasting operations and the proposal of allocation and use of radio frequency spectrum from the KPI, as well as the fulfillment of the requirements as referred to in Article 4 paragraph (3).

(10) The Minister shall issue the decision of approval or denial of the license for broadcasting operations based on the consensus of the Joint Meeting Forum.

(11) The decision of approval or denial of the license for broadcasting operations as referred to in paragraph (10) shall be issued by the Minister no later than 30 (thirty) working days from the consensus of the Joint Meeting Forum.

(12) The decision of approval or denial of the license for broadcasting operations as referred to in paragraph (11) shall be delivered to the Applicants via the KPI.

Article 6

In the event that the number of Applicants of Private Broadcasting Institution operators in a broadcast service area exceeds the channel available in the radio frequency master plan, there shall be a selection conducted by the Minister and the KPI in the Joint Meeting Forum.

Article 7

(1) After obtaining the broadcasting operations license as referred to in Article 5 paragraph (10), Private Broadcasting Institution shall undergo broadcast trial period for 6 (six) months at the maximum for radio broadcasting services and 1 (one) year at the maximum for television broadcasting services prior to obtaining the permanent broadcasting operations license from the Minister.

(2) The broadcast trial period as referred to in paragraph (1) shall be used for establishing infrastructure, managing frequency assignment process, conducting broadcast trial and evaluating the operations of broadcast trial.

(3) After undergoing the broadcast trial period and declaring ready to be evaluated, the Applicants shall submit a proposal to the Minister to evaluate the operations of broadcast trial.
(4) To evaluate the operations of broadcast trial period, a team for broadcast trial shall be formed comprising relevant Government elements and the KPI that shall be established by the Minister.

(5) During the trial period, Private Broadcasting Institution shall not:
   a. broadcast commercial advertisement, except for public service announcement broadcast;
   b. charge fee relating to broadcasting operations.

(6) To pass the broadcast trial period, the following criteria shall be met:
   a. administrative requirements;
   b. broadcast programs;
   c. broadcasting technical data;
   as referred to in Article 4 paragraph (3).

(7) The broadcast trial period shall end after the team of broadcast trial declares that Private Broadcasting Institution:
   a. succeeds to pass after fulfilling the criteria as referred to in paragraph (5) and paragraph (6);
   b. fails to pass for not fulfilling the criteria as referred to in paragraph (6) until the time limit of the 6 (six) months of broadcast trial period for the Private Broadcasting Institution for radio broadcast services and 1 (one) year for the Private Broadcasting Institution for television broadcasting services;
   c. fails to pass for violation of the provision as referred to in paragraph (5) and has been given written reprimands twice, until the time limit of the 6 (six) months of broadcast trial period for the Private Broadcasting Institution for radio broadcast services and 1 (one) year for the Private Broadcasting Institution for television broadcasting services.

(8) The Minister shall issue the decision on permanent broadcasting operations license at the maximum of 14 (fourteen) working days after the broadcast trial is declared to have passed as referred to in paragraph (7) letter a.

(9) The Minister shall revoke the decision on broadcasting operations license at the maximum of 14 (fourteen) working days after the broadcast trial is declared to have failed as referred to in paragraph (7) letter b and letter c.
(10) The decision on permanent broadcasting operations license as referred to in paragraph (8) or the decision on the revocation of the broadcasting operations license as referred to in paragraph (9) shall be delivered to the Applicants via the KPI.

(11) Further provision on the criteria for determining the success of broadcast trial period as referred to in paragraph (6) shall be stipulated in a Ministerial Regulation.

Part Four
Period and Revocation of License

Article 8

(1) The validity periods of broadcasting operations license are, as follows:
   a. 5 (five) years for radio broadcasting operations license;
   b. 10 (ten) years for television broadcasting operations license.

(2) The license periods as referred to in paragraph (1) may be renewed.

(3) Broadcasting operations license shall be revoked by the Minister if Private Broadcasting Institution:
   a. violates the provision on the use of radio frequency spectrum and/or the determined broadcasting coverage areas;
   b. fails to perform any broadcasting activities for more than 3 (three) consecutive months without any notification, as declared by the KPI’s report;
   c. transfers the ownership of the broadcasting operations license to other parties;
   d. violates the provision of broadcasting fundamental technical plan and technical requirements for broadcasting equipment; or
   e. violates the provision on broadcast programs standard established by the KPI following the court ruling with a permanent legal power.

(4) The license revocation caused by the violation as referred to in paragraph (3) letter b, letter c, and letter e shall be conducted by the Minister based on the recommendation from the KPI.

(5) Broadcasting operations license shall end because the license period is over and the Applicants fail to renew it.
Part Five
Renewal of License

Article 9

(1) At a maximum of 1 (one) year prior to the termination of the broadcasting operations license, the Applicants shall submit the application of license renewal in writing to the Minister via the KPI by filling in the form provided and fulfilling the requirements as referred to in this Government Regulation.

(2) The validity periods of broadcasting operations license renewal are, as follows:
   a. 5 (five) years for radio broadcasting operations license;
   b. 10 (ten) years for television broadcasting operations license.

(3) The application as referred to in paragraph (2) shall be made in 2 (two) copies, with 1 (one) copy for the Minister and the other for the KPI, by attaching administrative requirements, broadcast program, and broadcast technical data, as follows:
   a. Administrative requirements:
      1. the deed of establishment of company and its modification as well as verification as a juristic person;
      2. the structure and name of the management of broadcasting operators;
      3. list of print media, Private Broadcasting Institution operating radio broadcasting services, and/or television broadcasting services owned by the Applicants;
      4. list of members of network station included in network station system, particularly for the main network station acting as a coordinator whose broadcasts are relayed by members of network station;
      5. a copy of the previous broadcasting operations license;
      6. a copy of the proof of the last payment of frequency use rights fee and broadcasting operations license fee;
      7. the financial statements that have been reviewed by a public accountant for a Private Broadcasting Institution that has listed its shares on the stock market or public company.
   b. Broadcast programs:
      1. descriptions regarding broadcast time, material resources for programs, and target audience;
      2. the percentage of the whole broadcasts and the details of music
broadcasts, as well as the daily and weekly program schedules.  

c. Broadcast technical data:  
1. inventory list of the facilities and infrastructure used, including studio devices and transmitters, number, and types of studios;  
2. studio layout and location map of the broadcasting station, transmitting station layout and location map, as well as maps of broadcasting coverage and service areas, including the approved contour diagram based on the license obtained.

(4) After receiving the application letter for license renewal as referred to in paragraph (3), the KPI shall verify the completeness of the administrative requirements of the broadcast program based on the requirements as referred to in paragraph (3) letter b.

(5) After receiving the application letter for license renewal as referred to in paragraph (3), the Minister shall verify the completeness of the administrative requirements and broadcast technical data as referred to in paragraph (3) letter a and letter c.

(6) If the Applicants fail to fulfill the requirements and the completeness of application as referred to in paragraph (3), the KPI and/or the Minister shall inform the Applicants or their power of attorney in writing to complete the requirements no later than 15 (fifteen) working days after the receipt date of the notification letter.

(7) In a period of no later than 15 (fifteen) working days from the fulfillment of requirements as referred to in paragraph (3), the KPI shall provide recommendation of feasibility of broadcasting operations renewal and submit it to the Minister.

(8) In a maximum period of 15 (fifteen) working days from the receipt of recommendation of feasibility on the renewal of broadcasting operations from the KPI as referred to in paragraph (7), the Minister shall invite the KPI and relevant institutions to hold a Joint Meeting Forum.

(9) The Minister may request for an explanation from the KPI on the applications that have not been given recommendation of feasibility after 30 (thirty) working days from the receipt of the applications by the Minister.

(10) The Joint Meeting Forum as referred to in paragraph (8) shall be held in order to give approval or denial on the broadcasting service license through the joint assessment on the recommendation of feasibility of
broadcasting operations and the proposal of allocation and use of radio frequency spectrum from the KPI, as well as the fulfillment of the requirements as referred to in paragraph (3).

(11) The Minister shall issue the decision of approval or denial of the renewal of broadcasting operations license based on the agreement of the Joint Meeting Forum.

(12) The decision of approval or denial of the renewal of broadcasting operations license as referred to in paragraph (11) shall be issued by the Minister no later than 30 (thirty) working days from the consensus of the Joint Meeting Forum.

(13) The decision of approval or denial of the broadcasting operations license as referred to in paragraph (12) shall be delivered to the Applicants via the KPI.

Part Six
Licensing Fees

Article 10

(1) Private Broadcasting Institution shall pay licensing fees for broadcasting operations and the fees for the rights of frequency use and their renewal fees through the state treasury.

(2) The licensing fees as referred to in paragraph (1) shall be determined in accordance with the prevailing laws and regulations.

Part Seven
Changes of Name, Domicile, Administrators, and Articles of Association, and Change of Transmitter Location and Frequency

Article 11

(1) Any change of name, domicile, the structure of operation, and/or the articles of associations of the Private Broadcasting Institution shall be reported in advance to the Minister before it is approved by the General Meeting of Shareholders (RUPS).

(2) Any change as referred to in paragraph (1) shall obtain approval from the authorized official in accordance with the prevailing laws and regulations.
(3) Private Broadcasting Institution may propose for the change of the transmitter location stated in its license for broadcasting operations to the Minister to obtain approval.

(4) Private Broadcasting Institution may propose for the change of the frequency allocation and use stated in its license for broadcasting operations to the Minister to obtain license.

(5) The license as referred to in paragraph (4) shall be granted after obtaining recommendation from the KPI.

(6) In order to be granted approval and license as referred to in paragraph (3) and paragraph (4), the Applicants shall submit a written application to the Minister by filling in the form provided and fulfilling the requirements as referred to in this Government Regulation.

(7) Further provision on the procedures of reporting, change of transmitter location, as well as frequency allocation and use of Private Broadcasting Institution as referred to in paragraph (1), paragraph (3), and paragraph (4) shall be stipulated in a Ministerial Regulation.

CHAPTER III
BROADCASTING OPERATIONS

Part One
Program/Broadcast Channel, Arrangement of Number and Coverage of Broadcast Area

Article 12
Private Broadcasting Institution for each radio broadcasting service and television broadcasting services may only operate 1 (one) program in 1 (one) broadcast channel in 1 (one) broadcast area coverage.

Article 13
The number of Private Broadcasting Institution for radio broadcasting services and/or television broadcasting services in one area coverage of local broadcast shall be stipulated in a Ministerial Regulation in accordance with the radio frequency master plan.
Part Two
Broadcast Contents

Article 14

(1) Broadcast content shall contain information, education, entertainment, and benefits for the shaping of intellectuality, character, moral, advancement, strength of nation; maintain the unity and integrity; as well as actualize religious and cultural values of Indonesia.

(2) The content of television broadcasting services, operated by Private Broadcasting Institution shall contain a minimum of 60% (sixty percent) of domestic programs from the total duration of daily programs.

(3) The content of the broadcast shall protect and empower special audience, namely children, teenagers, by broadcasting the programs at the appropriate time, and Private Broadcasting Institution shall state and/or mention the audience classification in accordance with the content of the programs.

(4) The content of the broadcast shall be kept neutral and shall not prioritize the interest of certain groups.

(5) The content of the broadcast shall not:
   a. be slanderous, seditious, misleading, and/or untruthful;
   b. accentuate the elements of violence, obscenity, gambling, narcotics, and illicit drugs; or
   c. polarize ethnic, religious, racial, and social group affiliation.

(6) The content of the broadcast shall not ridicule, degrade, harass, and/or ignore religious values, the dignity of Indonesians, or harm international relations.

(7) The content of the broadcast shall comply with the Guidelines for Broadcasting Behavior and Broadcast Program Standards established by the KPI.

Part Three
Classification of Broadcast Programs

Article 15

Private Broadcasting Institution shall make a classification of broadcast programs by complying with the Guidelines for Broadcasting Behavior and
Broadcast Program Standards established by the KPI.

Part Four
Broadcast Language

Article 16

(1) The primary language of delivery in operating the broadcast programs shall be the proper and standard Indonesian language.

(2) Vernaculars may be used as the primary language in operating a broadcast program with local content and, if necessary, to support a certain show.

(3) Foreign languages may only be used as language of delivery in accordance with the necessity of a broadcast show.

(4) Shows in foreign languages may be broadcast in their original languages and specifically for television broadcasting services, the shows shall be given Indonesian subtitle or selectively be dubbed into Indonesian in accordance with the necessity of certain broadcast shows.

(5) The dubbing from foreign languages into Indonesian language shall be limited to a maximum of 30% (thirty percent) of the total number of broadcast shows in foreign languages.

(6) Sign language may be used in certain television broadcast shows for the deaf.

Part Five
Relay and Joint Broadcast

Article 17

(1) Private Broadcasting Institution may conduct broadcast relay from other broadcasting institutions, both domestic and foreign broadcasting institutions, in the forms of either permanent or temporary programs broadcast relay.

(2) Duration of relay for permanent programs emanating from domestic broadcasting institutions for network-based broadcasting institutions shall be restricted at a maximum of 40% (forty percent) for radio broadcasting services and 90% (ninety percent) for television broadcasting services of the total duration of broadcast time per day.
(3) Duration of relay for permanent program emanating from domestic broadcasting institutions for radio and television broadcasting institutions which are not network-based shall be restricted at a maximum of 20% (twenty percent) of the total duration of broadcast time per day.

(4) Duration of relay for permanent program emanating from abroad shall be restricted at a maximum of 5% (five percent) for radio broadcasting services and 10% (ten percent) for television broadcasting services of the total duration of broadcast time per day, except for the broadcast of international sporting matches which require additional time.

(5) Private Broadcasting Institution shall not relay any permanent program emanating from foreign broadcasting institutions comprising:
   a. news service;
   b. indecent music shows; or
   c. sports broadcasts which demonstrate sadistic scenes.

(6) The number of relay shows for permanent program emanating from abroad shall be restricted at a maximum of 10% (ten percent) for radio broadcasting services and 20% (twenty percent) for television broadcasting services of the total duration of broadcast time per day.

(7) The criteria for the variety of programs as referred to in paragraph (5) shall be further established in Guidelines for Broadcasting Behavior and Broadcast Program Standards by the KPI.

(8) Broadcasting Institutions may temporarily conduct relay of other broadcasting institutions’ programs for certain national, international, and/or selected shows.

(9) Inter-broadcasting institutions may conduct a joint broadcast insofar as the intended programs will not lead to the monopoly of information and the shaping of public opinion.

(10) Private Broadcasting Institutions shall disseminate information of early warning emanating from official sources of the Government concerning the possibility of disasters that could threaten the safety of life and cause the damage to the people’s properties.
(11) In the event of national disasters, Private Broadcasting Institutions shall disseminate information emanating from official sources of the Government in compliance with the disaster management at emergency response phase.

Part Six
Broadcasting Rights and Broadcast Correction

Article 18
Television programs shall display broadcasting rights.

Article 19
(1) Private Broadcasting Institutions shall make correction if the broadcast content and/or the news aired is known to contain an oversight and/or an error.

(2) The correction shall be made in a period of less than 24 (twenty-four) hours, and if it is not feasible, the correction may be made in the first opportunity and given the first priority.

(3) The correction as referred to in paragraph (2) shall not waive the responsibility of television station or legal charges filed by the injured parties.

Part Seven
Broadcast Archive

Article 20
(1) Private Broadcasting Institutions shall keep the broadcast material at a minimum of 1 (one) year period after broadcast.

(2) Any broadcast materials which have high historical value, information value, or broadcasting value shall be submitted to and stored in a designated institution to maintain their sustainability in accordance with the prevailing laws and regulations.

(3) The broadcast materials which have been submitted as referred to in paragraph (2) may still be used for the purposes of broadcasting in accordance with the prevailing laws and regulations.
Part Eight
Advertising Broadcast

Article 21
(1) The content of advertising broadcast shall comply with the ethics of advertising, conditions issued by the KPI, and the prevailing laws and regulations.

(2) The broadcast of commercial advertising aired during programs for children shall comply with the broadcasting standards set for children.

(3) Cigarette advertising in radio and television broadcasting institution may only be broadcast at 21:30 to 05:00 local time where the broadcasting institution is based.

(4) Private Broadcasting Institutions shall provide special time for public service announcements aired from 05:00 to 22:00 local time with special rate, or in the event of state of emergency stipulated by the Government as necessary.

(5) Duration for commercial advertising of Private Broadcasting Institutions shall be at a maximum of 20% (twenty percent) of the total duration of broadcast time per day.

(6) Duration for public service announcements shall be at a minimum of 10% (ten percent) of commercial advertising per day.

(7) The content of advertising broadcast shall utilize domestic resources.

Part Nine
Broadcasting Additional Services

Article 22
(1) Broadcasting additional services may be provided by Private Broadcasting Institutions after obtaining a license from the Minister.

(2) Provision of broadcasting additional services shall utilize system standards and meet the intended technical performances.

(3) Further provisions on the license, system standards and technical performances of broadcasting additional services as referred to in paragraph (1) and paragraph (2) shall be stipulated in a Ministerial
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the Republic of Indonesia

Regulation.

Part Ten  
Broadcasting Operations Accountability

Article 23  
Heads of juristic person of broadcasting institutions shall be entirely held accountable for broadcasting operations and shall designate the person-in-charge for any operated program.

CHAPTER IV  
CAPITAL

Part One  
Share Ownership

Article 24  
(1) Private Broadcasting Institutions shall be established with initial capital entirely owned by Indonesian citizens and/or Indonesian juristic persons whose entire shares are owned by Indonesian citizens.

(2) Private Broadcasting Institutions may conduct capital replenishment and increase to meet capital fulfillment emanating from foreign citizens and/or foreign juristic persons, which amounts to no more than 20% (twenty percent) of the entire capital which is fully issued and paid-up as well as owned by a minimum of two shareholders.

(3) The limitation on share ownership by foreign citizens and/or foreign juristic persons as referred to in paragraph (2) shall be conducted whether directly or indirectly.

(4) At least 80% (eighty percent) of the shares of Private Broadcasting Institutions shall be permanently owned by Indonesian citizens and/or Indonesian juristic persons whose entire shares are owned by Indonesian citizens.

(5) Any transactions over the shares of Private Broadcasting Institutions leading to the foreign ownership exceeding 20% (twenty percent) of the entire capital which is issued and paid-up shall be returned to the ceiling of 20% (twenty percent) as referred to in paragraph (2).
Part Two

Replenishment and Increase of Foreign Capital for Private Broadcasting Institutions whose Juristic Persons in the Form of a Private Limited Liability Company (LLC)

Article 25

(1) For Private Broadcasting Institutions whose juristic persons are in the form of Private LLCs, 20% (twenty percent) of their share ownership by foreign citizens and/or foreign juristic persons may be obtained through direct investment.

(2) The share ownership in Private Broadcasting Institutions through direct investment as referred to in paragraph (1) shall be reported to the Minister.

Part Three

Replenishment and Increase of Foreign Capital for Private Broadcasting Institutions whose Juristic Persons in the Form of a Public Limited Liability Company (LLC).

Article 26

(1) For Private Broadcasting Institutions whose juristic persons are in the form of Public LLCs, 20% (twenty percent) of their share ownership by foreign citizens and/or foreign juristic persons may be obtained on capital market.

(2) The share ownership in Private Broadcasting Institutions through capital market as referred to in paragraph (1) shall meet the provisions of the laws and regulations on capital market as well as the prevailing laws and regulations.

Article 27

(1) The Private Broadcasting Institutions whose juristic persons are in the form of a Public LLC as referred to in Article 26, may list their shares on the stock exchange at a maximum of 20% (twenty percent) of the entire issued and paid-up capital.

(2) The listing of shares of Private Broadcasting Institutions on the stock exchange as referred to in paragraph (1) shall take into account the shares which are already owned by foreign citizens and/or foreign juristic persons.
(3) In the event that the shares of Private Broadcasting Institutions have been listed on the stock exchange amounting to 20% (twenty percent), foreign citizens and/or foreign juristic persons may only own the shares of Private Broadcasting Institutions through the purchase of listed shares of Private Broadcasting Institutions.

(4) The purchase of shares by foreign citizens and/or foreign juristic persons on the stock exchange may reach 100% (one hundred percent) of the number of Private Broadcasting Institutions’ shares listed on the stock exchange and owned by a minimum of 2 (two) shareholders of foreign citizens and/or foreign juristic persons.

Part Four
Reporting

Article 28

(1) Any change of share ownership of Private Broadcasting Institutions conducted through direct investment and leads to the change of the ownership of majority shares or at least 5% (five percent) of the entire fully issued and paid-up capital shall be reported to the Minister by Private Broadcasting Institutions no later than 7 (seven) days after the change is made.

(2) In the event that foreign citizens and/or foreign juristic persons perform transaction on Private Broadcasting Institutions’ shares on the stock exchange, the obligations of investors to report to the capital market authority shall be fulfilled in accordance with the provisions of regulations on capital market and a copy shall be submitted to the Minister.

Article 29

(1) Private Broadcasting Institutions which conduct capital replenishment and increase on capital market shall prioritize their employees to the opportunity for share ownership.

(2) The opportunity for share ownership to their employees as referred to in paragraph (1) shall be provided in accordance with the prevailing laws and regulations.

Article 30

Private Broadcasting Institutions shall share part of the profits of the company to the employees.
CHAPTER V
OWNERSHIP AND CONTROL LIMITATION AND CROSS-OWNERSHIP

Part One
Ownership and Control Limitation

Subpart 1
Radio Broadcasting Services

Article 31

(1) Concentration of ownership and control of Private Broadcasting Institutions for radio broadcasting services by 1 (one) person or 1 (one) juristic person, both in one broadcast area and in several broadcast areas, in all territories of Indonesia shall be limited to the followings:
   a. 1 (one) juristic person shall only be permitted to have 1 (one) broadcasting license for radio broadcasting services;
   b. share ownership of a maximum of 100% (one hundred percent) on the 1st (first) juristic person up to the 7th (seventh) juristic person;
   c. share ownership of a maximum of 49% (forty nine percent) on the 8th (eight) juristic person up to the 14th (fourteenth) juristic person;
   d. share ownership of a maximum of 20% (twenty percent) on the 15th (fifteenth) juristic person up to the 21st (twenty first) juristic person;
   e. share ownership of a maximum of 5% (five percent) on the 22nd (twenty second) juristic person and so forth;
   f. The juristic persons as referred to in letter b, letter c, letter d, and letter e, are located in several regencies/municipalities spread throughout Indonesia.

(2) Exceptions to the provisions as referred to in paragraph (1) letter c, letter d, and letter e, shall enable 100% (one hundred percent) share ownership for Private Broadcasting Institutions for radio broadcasting services located in border areas and/or remote areas.

(3) The ownership of juristic persons as referred to in paragraph (1) in the form of shares owned by a minimum of 2 (two) persons shall be in accordance with the provisions of the prevailing laws and regulations.

(4) The provisions as referred to in paragraph (1) may be reviewed in order to adjust to technological developments and public information needs.
Subpart 2
Television Broadcasting Services

Article 32

(1) Concentration of ownership and control of Private Broadcasting Institutions for television broadcasting services by 1 (one) person or 1 (one) juristic person, both in one broadcast area and in several broadcast areas, in all territories of Indonesia shall be limited to the followings:
  a. 1 (one) juristic person shall only be permitted to have 2 (two) broadcasting licenses for television broadcasting services, located in 2 (two) different provinces;
  b. share ownership of a maximum of 100% (one hundred percent) on the 1st (first) juristic person;
  c. share ownership of a maximum of 49% (forty nine percent) on the 2nd (second) juristic person;
  d. share ownership of a maximum of 20% (twenty percent) on the 3rd (third) juristic person;
  e. share ownership of a maximum of 5% (five percent) on the 4th (forth) juristic person and so forth;
  f. the juristic persons as referred to in letter b, letter c, letter d, and letter e, are located in several provinces spread throughout Indonesia.

(2) Exceptions to the provisions as referred to in paragraph (1) letter c, letter d, and letter e, shall enable 100% (one hundred percent) share ownership for Private Broadcasting Institutions for television broadcasting services located in border areas and/or remote areas.

(3) Exceptions to the provisions as referred to in paragraph (1) letter c, letter d, and letter e, shall enable the share ownership of more than 49% (forty nine percent) and a maximum of 90% (ninety percent) of the share in the 2nd (second) juristic person and so forth only for Private Broadcasting Institutions that have been operating their own relay stations prior to the establishment of this Government Regulation.

(4) The ownership of Private Broadcasting Institutions as referred to in paragraph (1) in the form of shares owned by a minimum of 2 (two) persons shall be in accordance with the provisions of the prevailing laws and regulations.

(5) The provisions as referred to in paragraph (1) may be reviewed in order to adjust to technological developments and public information needs.
Article 33

Cross-ownership between Private Broadcasting Institutions, print media companies, and Subscription-based Broadcasting Services, both directly and indirectly, shall be limited to the followings:

a. 1 (one) Private Broadcasting Institution for radio broadcasting services and 1 (one) Subscription-based Broadcasting Institution with 1 (one) print media company in the same region; or
b. 1 (one) Private Broadcasting Institution for television broadcasting services and 1 (one) Subscription-based Broadcasting Institution with 1 (one) print media company in the same region; or

c. 1 (one) Private Broadcasting Institution for radio broadcasting services and 1 (one) Private Broadcasting Institution for television broadcasting services with 1 (one) Subscription-based Broadcasting Institution in the same region.

CHAPTER SIX
NETWORK STATION SYSTEM

Part One
General Provisions

Article 34

(1) Network station system shall comprise Private Broadcasting Institution as network station base and Private Broadcasting Institution as network station member that form network station system.

(2) Private Broadcasting Institution as network station base shall be a Private Broadcasting Institution that acts as coordinator whose program is relayed by Private Broadcasting Institution as network station member in a network station system.

(3) Private Broadcasting Institution as network station member shall be Private Broadcasting Institution that is aligned under a network station system that relays programs at certain times from Private Broadcasting Institution as network station base.
(4) The Private Broadcasting Institution as network station member as referred to in paragraph (3) may only network with 1 (one) Private Broadcasting Institution as network station base.

(5) Private Broadcasting Institution for radio broadcasting service and/or television broadcasting service that broadcast its programs through network station system shall broadcast local programs.

(6) Any broadcast services through network station system and any changes of the number of network station members which are included in network station system shall be reported to the Minister.

Part Two
Radio Broadcasting Service

Article 35
Private Broadcasting Institution for radio broadcasting services may operate broadcast through network station system within limited coverage areas under the following provisions:
a. network station base and network station member shall be Private Broadcasting Institutions which are located in the provincial capital, regency, and/or municipality;
b. the range of broadcasting area from a network station system shall be limited to a maximum of 15% (fifteen percent) of the number of regencies and municipalities in Indonesia;
c. a maximum of 80% (eighty percent) of the number as referred to in letter b shall be located in regions with developed economy, the locations of which are chosen by related broadcasting institutions, and a minimum of 20% (twenty percent) of the rest shall be located in regions with less-developed economy and the locations are determined by the Minister;
d. the determination of regions with developed economy and less-developed economy as referred to in letter c shall be stipulated in a Ministerial Regulation.

Part Three
Television Broadcasting Service

Article 36
Private Broadcasting Institution for television broadcasting services may operate broadcast through network station system within limited coverage areas, which is regulated as follows:
a. network station base shall be a Private Broadcasting Institution which is located in the provincial capital;
b. network station member shall be a Private Broadcasting Institution which is located in the provincial capital, regency and/or municipality;
c. for program uniformity, network station broadcast may be telecast through relay stations throughout the regions in one province;
d. the province of Jakarta Special Capital Region and the province of Yogyakarta Special Region are particular provinces that are not permitted to establish a relay station;
e. broadcast coverage area of a network station system shall be limited to a maximum of 75% (seventy five percent) of the number of provinces in Indonesia;
f. the exception to the provision as referred to in letter e, shall enable the coverage of a maximum of 90% (ninety percent) of the number of provinces in Indonesia, only for network station system that has been operating a number of its own relay stations, so the coverage exceeds 75% (seventy-five percent) of the number of provinces prior to establishment of this Government Regulation;
g. a maximum of 80% (eighty percent) of the number as referred to in letter e or letter f which are located in regions with developed economy, the locations of which may be chosen by related broadcasting institution, and the remaining minimum of 20% (twenty percent) are located in regions with less-developed economy and the locations shall be determined by the Minister;
h. the determination of regions with developed economy and less-developed economy as referred to in letter g shall be stipulated in a Ministerial Regulation.

CHAPTER VII
BROADCASTING FUNDAMENTAL TECHNICAL PLAN AND EQUIPMENT TECHNICAL REQUIREMENTS

Part One
Broadcasting Fundamental Technical Plan
and Radio Frequency Master Plan

Article 37

(1) Private Broadcasting Institution shall comply with the broadcasting fundamental technical plan.
(2) The broadcasting fundamental technical plan as referred to in paragraph (1) shall comprise matters relating to the establishment of broadcasting station, as follows:
   a. the broadcasting operations policy direction by considering broadcasting technology development, market demand, economic, social, cultural, and other environmental conditions;
   b. a guide to maximum propagation and broadcasting coverage area expansion, broadcasting frequency spectrum use, new technology utilization, and broadcasting infrastructure roll-out;
   c. a guide to the list of self-assessment test;
   d. a guide to the safeguarding and protection of the equipment system to preserve the environment.

(3) Further provisions on the broadcasting fundamental technical plan as referred to in paragraph (1) and paragraph (2) shall be stipulated in a Ministerial Regulation after considering inputs from relevant institutions.

Article 38

(1) Private Broadcasting Institutions shall comply with the technical provisions set forth in the radio frequency master plan for broadcasting operations.

(2) The radio frequency master plan as referred to in paragraph (1) shall comprise technical provisions and channel adjustment of radio frequency for broadcasting.

(3) The master plan as referred to in paragraph (2) shall be stipulated in a Ministerial Regulation.

Part Two
Technical Requirements and Certification of Broadcasting Devices and Equipment

Article 39

(1) Broadcasting transmission equipment that is used or operated for broadcasting operations purpose shall comply with the national standards and meet the technical requirements in accordance with the provisions of the prevailing laws and regulations.

(2) In the event that the Indonesian National Standard has not been established, the Minister shall establish the technical requirements for
transmission equipment used.

(3) The establishment of technical requirements for transmission equipment as referred to in paragraph (1) shall be carried out based on:
   a. the result of industrial development, innovation, and broadcasting engineering technology, and national telecommunications;
   b. the adoption of international or regional standard; or
   c. the adaptation of international or regional standard.

(4) The broadcasting devices and equipment used shall prioritize domestic products.

Article 40

Any transmission equipment that is manufactured, assembled, traded, operated, and imported into the territory of the Unitary State of the Republic of Indonesia for broadcasting purposes shall be certified in accordance with the prevailing laws and regulations.

Part Three
Safeguarding and Protection

Article 41

Broadcasting transmission network and broadcasting facilities and infrastructure shall be equipped with safeguarding and protection facilities for human safety in accordance with the prevailing laws and regulations.

CHAPTER VIII
ADMINISTRATIVE SANCTIONS

Part One
Imposition of Administrative Sanctions

Article 42

(1) Private Broadcasting Institutions which operate advertisement broadcast and/or charge fee during the broadcast trial period as referred to in Article 7 paragraph (5) letter a and letter b shall be subject to administrative sanctions in the form of a written reprimand.

(2) Private Broadcasting Institutions which have received the written reprimand as referred to in paragraph (1) for 2 (two) times shall be subject to administrative sanctions in the form of revocation of
broadcasting licenses.

Article 43

(1) Private Broadcasting Institutions which fail to apply for the broadcasting licenses renewal within a maximum of 1 (one) year period before the expiration of the broadcasting licenses, as referred to in Article 9 paragraph (1) shall be subject to administrative sanctions in the form of a written reprimand.

(2) Private Broadcasting Institutions which have received the written reprimand as referred to in paragraph (1) for 2 (two) times shall be subject to administrative sanctions in the form of not being granted broadcasting licenses renewal.

Article 44

(1) Private Broadcasting Institutions whose broadcasting operations exceed 1 (one) broadcast with 1 (one) broadcast channel in 1 (one) broadcast coverage area as referred to in Article 12 shall be subject to administrative sanctions in the form of a written reprimand.

(2) Private Broadcasting Institutions which have received the written reprimand as referred to in paragraph (1) for 2 (two) times shall be subject to administrative sanctions in the form of suspension of broadcast activities at a maximum of 3 (three) months.

Article 45

(1) Private Broadcasting Institutions which fail to fulfill the responsibility as referred to in Article 14 paragraph (2) shall be subject to administrative sanctions in the form of a written reprimand.

(2) Private Broadcasting Institutions which have received the written reprimand as referred to in paragraph (1) for 2 (two) times shall be subject to administrative sanctions in the form of temporary suspension for several foreign shows, so the quota of domestic shows reaches 60% (sixty percent) at a maximum of 2 (two) months.

(3) In the event of temporary suspension for several foreign shows as referred to in paragraph (2) has not been conducted, several foreign shows which exceed the quota shall be discontinued.
Article 46

(1) Private Broadcasting Institutions operating their broadcasting services with broadcast contents which fail to provide protection and empowerment for children and teenagers by broadcasting shows at inappropriate times and fail to display and/or mention audience classification in accordance with the broadcast contents as referred to in Article 14 paragraph (3) shall be subject to administrative sanctions in the form of a written reprimand.

(2) Private Broadcasting Institutions which have received the written reprimands as referred to in paragraph (1) for 2 (two) times shall be subject to administrative sanctions in the form of temporary suspension for problematic shows until the fulfilment of the provisions as referred to in Article 14 paragraph (3).

Article 47

Private Broadcasting Institutions operating their broadcasting services with broadcast contents which fail to keep their neutrality and/or prioritize certain group interests as referred to in Article 14 paragraph (4) and/or fail to follow the Guideline for Broadcasting Behavior and Broadcast Program Standards as referred to in Article 14 paragraph (7) shall be subject to administrative sanctions in the form of temporary suspension for problematic shows after passing a certain phase.

Article 48

(1) Private Broadcasting Institutions which fail to conduct their broadcast in accordance with the programs classification as referred to in Article 15 shall be subject to administrative sanctions in the form of a written reprimand.

(2) Private Broadcasting Institutions which have received the written reprimand as referred to in paragraph (1) for 2 (two) times shall be subject to administrative sanctions in the form of temporary suspension for problematic shows until the provisions as referred to in Article 15 are fulfilled.

Article 49

(1) Private Broadcasting Institutions operating television broadcasting services whose foreign language programs are not given Indonesian subtitle or not dubbed into Indonesian language as referred to in Article 16 paragraph (4) shall be subject to administrative sanctions in the form of a written reprimand.
(2) Private Broadcasting Institutions which have received the written reprimand as referred to in paragraph (1) for 2 (two) times shall be subject to administrative sanctions in the form of temporary suspension for problematic shows until the provisions as referred to in Article 16 paragraph (4) are fulfilled.

Article 50

(1) Private Broadcasting Institutions in conducting broadcast relays for regular programs which fail to comply with the provisions as referred to in Article 17 paragraph (2), paragraph (3), paragraph (4), and paragraph (6) shall be subject to administrative sanctions in the form of a written reprimand.

(2) Private Broadcasting Institutions which have received the written reprimand as referred to in paragraph (1) for 2 (two) times shall be subject to administrative sanctions in the form of temporary suspension for problematic shows until the provisions as referred to in Article 17 paragraph (2), paragraph (3), paragraph (4), and paragraph (6) are fulfilled.

Article 51

Private Broadcasting Institutions in conducting broadcast relays for regular programs which fail to comply with the provisions as referred to in Article 17 paragraph (5) shall be subject to administrative sanctions in the form of temporary suspension for problematic shows after passing a certain phase.

Article 52

Private Broadcasting Institutions which fail to disseminate information on early warnings as referred to in Article 17 paragraph (10) and information about national disasters as referred to in Article 17 paragraph (11) shall be subject to administrative sanctions in the form of a written reprimand.

Article 53

(1) Private Broadcasting Institutions in broadcasting the programs which fail to display broadcasting rights as referred to in Article 18 shall be subject to administrative sanctions in the form of a written reprimand.

(2) Private Broadcasting Institutions which have received the written reprimand as referred to in paragraph (1) for 2 (two) times shall be subject to administrative sanctions in the form of temporary suspension
for problematic shows until the provisions as referred to in Article 18 are fulfilled.

Article 54

(1) Private Broadcasting Institutions which fail to provide correction as referred to in Article 19 paragraph (1) shall be subject to administrative sanctions in the form of a written reprimand.

(2) Private Broadcasting Institutions which have received 1 (one) written reprimand as referred to in paragraph (1) shall be subject to administrative sanctions in the form of temporary suspension for problematic shows until the provisions as referred to in Article 19 paragraph (1) are fulfilled.

Article 55

Private Broadcasting Institutions which fail to store broadcasting materials or documents within a minimum of 1 (one) year after the materials are broadcast as referred to in Article 20 paragraph (1) shall be subject to administrative sanctions in the form of a written reprimand.

Article 56

(1) Private Broadcasting Institutions airing commercial advertisements in children shows which fail to comply with the children broadcast standard as referred to in Article 21 paragraph (2) shall be subject to administrative sanctions in the form of a written reprimand.

(2) Private Broadcasting Institutions which have received the written reprimand as referred to in paragraph (1) for 2 (two) times shall be subject to administrative sanctions in the form of temporary suspension for problematic commercial advertisements until the provisions as referred to in Article 21 paragraph (2) are fulfilled.

Article 57

Private Broadcasting Institutions which broadcast cigarette advertisement beyond the provisions as referred to in Article 21 paragraph (3) shall be subject to administrative sanctions in the form of administrative fines for radio broadcasting services at a maximum of Rp100,000,000 (one hundred million rupiah), and for television broadcasting services at a maximum of Rp1,000,000,000 (one billion rupiah).
Article 58

(1) Private Broadcasting Institutions which fail to allocate time for public service announcement broadcast as referred to in Article 21 paragraph (4) shall be subject to administrative sanctions in the form of a written reprimand.

(2) Private Broadcasting Institutions which have received the written reprimand as referred to in paragraph (1) for 2 (two) times shall be subject to administrative sanctions in the form of administrative fines for radio broadcasting services at a maximum of Rp100,000,000 (one hundred million rupiah), and for television broadcasting services at a maximum of Rp1,000,000,000 (one billion rupiah).

Article 59

(1) Private Broadcasting Institutions which broadcast commercial advertisement exceeding 20% (twenty percent) of the total duration of the broadcasting time every day as referred to in Article 21 paragraph (5) shall be subject to administrative sanctions in the form of a written reprimand.

(2) Private Broadcasting Institutions which have received written reprimand as referred to in paragraph (1) for 2 (two) times shall be subject to administrative sanctions in the form of administrative fines for radio broadcasting services at a maximum of Rp100,000,000 (one hundred million rupiah), and for television broadcasting services at a maximum of Rp1,000,000,000 (one billion rupiah).

Article 60

(1) Private Broadcasting Institutions which broadcast public service announcement less than 10% (ten percent) of commercial advertisements broadcast every day as referred to in Article 21 paragraph (6) shall be subject to administrative sanctions in the form of a written reprimand.

(2) Private Broadcasting Institutions which have received the written reprimand as referred to in paragraph (1) for 2 (two) times shall be subject to administrative sanctions in the form of administrative fines for radio broadcasting services at a maximum of Rp100,000,000 (one hundred million rupiah), and for television broadcasting services at a maximum of Rp1,000,000,000 (one billion rupiah).
Article 61

(1) Private Broadcasting Institutions whose advertisement materials fail to utilize domestic resources as referred to in Article 21 paragraph (7) shall be subject to administrative sanctions in the form of a written reprimand.

(2) Private Broadcasting Institutions which have received 1 (one) written reprimand as referred to in paragraph (1) shall be subject to administrative sanctions in the form of administrative fines for radio broadcasting services at a maximum of Rp50,000,000 (fifty million rupiah), and for television broadcasting services at a maximum of Rp500,000,000 (five hundred million rupiah).

Part Two
Procedures for Imposition of Administrative Sanction

Article 62

(1) The imposition of administrative sanctions as referred to in Article 42, Article 43, Article 44, Article 52, and Article 55 shall be carried out by the Minister.

(2) The imposition of administrative sanctions as referred to in Article 45, Article 46, Article 47, Article 48, Article 49, Article 50, Article 51, Article 53, Article 54, Article 56, Article 57, Article 58, Article 59, Article 60, and Article 61 shall be carried out by the KPI.

(3) The period for the imposition of administrative sanctions in the form of the first and second written reprimands shall be 7 (seven) calendar days respectively.

Article 63

(1) In the event that the Private Broadcasting Institutions fail to pay for the administrative fines as referred to in Article 57, Article 58, Article 59, Article 60, and Article 61 within the period of 30 (thirty) calendar days after the administrative fines are imposed, the sanction shall be escalated to the freeze of broadcasting activities until the obligation to pay for administrative fines is fulfilled.

(2) The administrative fines as referred to in paragraph 1 shall be directly deposited into the state treasury.
Article 64

(1) Private Broadcasting Institutions which are subject to administrative sanctions may file a complaint.

(2) Further provisions on the procedures for filing a complaint to the imposition of administrative sanctions as referred to in Article 62 paragraph (1) shall be stipulated in a Ministerial Regulation.

(3) Further provisions on the procedures for filing a complaint to the imposition of administrative sanctions as referred to in Article 62 paragraph (2) shall be established by KPI's Regulation.

CHAPTER IX
TRANSITIONAL PROVISIONS

Article 65

All provisions of implementing regulations that regulate the Private Broadcasting Institutions shall remain effective insofar as not contradictory or superseded by new ones by virtue of this Government Regulation.

Article 66

(1) If prior to the effectiveness of this Government Regulation the ownership of foreign capital on Private Broadcasting Institutions exceeds 20% (twenty percent) of the entire capital, the excess of the ownership of foreign capital shares shall be returned to the ceiling of foreign capital ownership.

(2) The excess of foreign capital ownership as referred to in paragraph (1) shall be transferred to Indonesian citizens and/or Indonesian juristic persons whose entire shares are owned by Indonesian citizens in a maximum period of 5 (five) years from the establishment of this Government Regulation.

(3) In the event that 20% (twenty percent) share ownership of foreign capital of Private Broadcasting Institutions is owned by 1 (one) foreign investor, such foreign investor shall transfer part of their shares to other foreign investors or transfer their entire shares to Indonesian citizens and/or Indonesian juristic persons no later than 28 December 2006.
Article 67

If prior to the effectiveness of this Government Regulation, a person or a juristic person has owned or has controlled more than 20 (twenty) Private Broadcasting Institutions for radio broadcasting services both in one broadcast area and in several broadcast areas in all territories of Indonesia, they shall sell the excess of the ownership or control of the Private Broadcasting Institutions for radio broadcasting services with the following provisions:

1. The shares sale of the 21st (twenty first) up to the 25th (twenty fifth) Private Broadcasting Institutions operating radio broadcasting services, whose initial shares ownership is 100% (one hundred percent) to become 20% (twenty percent) is carried out through the gradual decrease from 100% (one hundred percent) to 90% (ninety percent), 60% (sixty percent), 30% (thirty percent), and at last to 20% (twenty percent) in a maximum period of 4 (four) years from the establishment of this Government Regulation.

2. The shares sale of the 26th (twenty sixth) Private Broadcasting Institutions operating radio broadcasting services, whose initial shares ownership is 100% (one hundred percent) to become 5% (five percent) is carried out through the gradual decrease from 100% (one hundred percent) to 90% (ninety percent), 60% (sixty percent), 30% (thirty percent), 10% (ten percent), and at last to 5% (five percent) in a maximum period of 5 (five) years from the establishment of this Government Regulation.

Article 68

If prior to the effectiveness of this Government Regulation, a person or a juristic person has owned or has controlled more than 2 (two) Private Broadcasting Institutions for television broadcasting services both in one broadcast area and in several broadcast areas in all territories of Indonesia, they shall sell the excess of the ownership or control of the Private Broadcasting Institutions for television broadcasting services with the following provisions:

1. The shares sale of the 3rd (third) Private Broadcasting Institutions operating television broadcasting services, whose initial shares ownership is 100% (one hundred percent) to become 49% (forty-nine percent) is carried out through the gradual decrease from 100% (one hundred percent) to 90% (ninety percent), 80% (eighty percent), 60% (sixty percent), and at last to 49% (forty-nine percent) in a maximum period of 4 (four) years from the establishment of this Government Regulation.
2. The shares sale of the 4th (fourth) Private Broadcasting Institutions operating television broadcasting services, whose initial shares ownership is 100% (one hundred percent) to become 20% (twenty percent) is carried out through the gradual decrease from 100% (one hundred percent) to 90% (ninety percent), 80% (eighty percent), 60% (sixty percent), 40% (forty percent), and at last to 20% (twenty percent) in a maximum period of 5 (five) years from the establishment of this Government Regulation.

3. The shares sale of the 5th (fifth) Private Broadcasting Institutions operating television broadcasting services, whose initial shares ownership is 100% (one hundred percent) to become 5% (five percent) is carried out through the gradual decrease from 100% (one hundred percent) to 90% (ninety percent), 80% (eighty percent), 60% (sixty percent), 40% (forty percent), 20% (twenty percent), and at last to 5% (five percent) in a maximum period of 6 (six) years from the establishment of this Government Regulation.

Article 69

Private Broadcasting Institutions which prior to the effectiveness of this Government Regulation have provided radio broadcasting services, television broadcasting services, and print media companies in the same area shall release one of their ownerships no later than 28 December 2006.

Article 70

Private Broadcasting Institutions operating television broadcasting services which have owned relay stations in the provincial capitals shall release the ownerships of their relay stations no later than 28 December 2007, unless the capital owner in the region has not been able to establish local broadcasting stations or the Minister or the relevant Regional Government determines special grounds.

CHAPTER X
MISCELLANEOUS PROVISIONS

Article 71

(1) Concentration of ownership and control of the Private Broadcasting Institutions by a person or a juristic person, which prior to the effectiveness of this Government Regulation have owned more than one Private Broadcasting Institutions operating radio broadcasting services, or more than one Private Broadcasting Institutions operating television broadcasting services, or Private Broadcasting Institutions operating
radio and television broadcasting services, or Private Broadcasting Institutions operating radio broadcasting services and Subscription Broadcasting Institutions, or the Private Broadcasting Institutions operating radio broadcasting services and print media, or Private Broadcasting Institutions operating television broadcasting services and Subscription Broadcasting Institutions, or Private Broadcasting Institutions operating television broadcasting services and print media, shall report their ownership to the Minister.

(2) Private Broadcasting Institutions which have obtained radio station licenses from the Directorate General of Posts and Telecommunications and/or national broadcasting licenses for television from the Department of Information prior to the establishment of this Government Regulation shall be acknowledged for their presence and shall report in writing to the Minister on their presence to adjust their licenses to broadcasting operations licenses in accordance with Law Number 32 of 2002 on Broadcasting.

(3) Evaluation hearing carried out by the KPI or the Regional Indonesian Broadcasting Commission (KPID) prior to the establishment of this Government Regulation shall remain valid insofar as not contradictory by virtue of this Government Regulation.

CHAPTER XI
CLOSING PROVISIONS

Article 72
Any Private Broadcasting Institutions shall adjust themselves to the provisions of this Government Regulation from the establishment of this Government Regulation.

Article 73
This Government Regulation shall come into force from the date of its promulgation.

For public cognizance, it is hereby ordered that this Government Regulation be promulgated in the State Gazette of the Republic of Indonesia.
Established in Jakarta
on 16 November 2005

PRESIDENT OF
THE REPUBLIC OF INDONESIA,
signed
DR. H. SUSILO BAMBANG YUDHOYONO

Promulgated in Jakarta
on 16 November 2005

MINISTER OF LAW AND HUMAN RIGHTS
OF THE REPUBLIC OF INDONESIA,
signed
HAMID AWALUDIN

STATE GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2005 NUMBER 127
ELUCIDATION
ON
GOVERNMENT REGULATION OF
THE REPUBLIC OF INDONESIA
NUMBER 50 OF 2005
ON
BROADCASTING OPERATIONS BY
PRIVATE BROADCASTING INSTITUTIONS

I. GENERAL PROVISIONS

The development of communication and information technology has created an information-based society that has bigger demands upon the right to know and the right to obtain information. Information has become a primary need for the society and an important commodity in the life of the society, nation, and state.

The development of communication and information technology has brought implication towards broadcasting community, including broadcasting in Indonesia. As the channel of information and the shaper of public opinion, Broadcasting plays a strategic role, mainly in the development of democracy in our country. Broadcasting has become one of communication means for the public, broadcasting institutions, business world, and the Government.

With the promulgation and enforcement of Law Number 32 of 2002 on Broadcasting on 28 December 2002, the Indonesian broadcasting community experienced a significant change. The development of both radio and television broadcasting in the cities and villages is expected to increase. This matter is made possible by the issuance of license of both radio and television network broadcasting institutions or the local ones so that the opportunities remain open for the public to run business in the broadcasting sector, by still referring to the master plan of the radio frequency of telecommunication especially for the need of radio and television broadcasting. This matter has also been stipulated by Law Number 32 of 2002 on Broadcasting Chapter III Part Five entitled Private Broadcasting Institution.

Private Broadcasting Institution is a commercial broadcasting institution and in the form of Indonesian juristic person and its business field only offers television and radio broadcasting services. Private Broadcasting Institution is built with the initial capital wholly owned by Indonesian citizens and/or Indonesian juristic persons.

Provision on Private Broadcasting Institution is mandated by Law Number 32 of 2002 on Broadcasting Article 16, Article 17, Article 18, Article 19, Article 20, and other related Articles. Regulation on Private Broadcasting
Institution in line with the mandate of Law Number 32 of 2002 is in the form of a Government Regulation. Under Article 5 paragraph (2) of 1945 Constitution of the Republic of Indonesia and in line with the ruling of the Constitutional Court Case Number 005/PUU-1/2003 on 28 July 2004, this Government Regulation is established by the Government and coordinated by the minister in charge of the information and communication, including the regulation in the broadcasting sector and radio frequency spectrum for the purpose of radio and television broadcasting operations, with the content related to the Private Broadcasting Institutions that pertains to general provisions, establishment and licensing, broadcasting, capital, restriction of ownership and acquisition as well as cross ownership, network station system, broadcasting fundamental technical plan and technical requirements for broadcasting equipment, and administrative sanctions as well as transitional provisions that regulate the prevailing Private Broadcasting Institution prior to the effectiveness of this Government Regulation.

II. ARTICLE BY ARTICLE

Article 1
Self-explanatory.

Article 2
Paragraph (1)
Letter a
Number 1
Self-explanatory.
Number 2
Self-explanatory.
Number 3
Self-explanatory.
Number 4
Multiplexing broadcasting means a broadcasting with the transmission of 2 (two) programs or more on 1 (one) channel at the same time.

Letter b
Number 1
Self-explanatory.
Number 2
Self-explanatory.
Number 3
Multiplexing broadcasting means a broadcasting with the transmission of 2 (two) programs or more on 1 (one) channel at the same time.

Paragraph (2)
Self-explanatory.

Paragraph (3)
Broadcasting operations through terrestrial and satellite systems cover the development of communication and information technology in the broadcasting field, among others, by the digital broadcasting system, multiplexing, and convergence of application on communication and information technology.

Article 3
Paragraph (1)
Letter a
Self-explanatory.
Letter b
Self-explanatory.
Letter c
The field of business shall be clearly written in the deed of establishment of radio and television broadcasting services.
Letter d
Self-explanatory.

Paragraph (2)
Self-explanatory.

Article 4
Paragraph (1)
Self-explanatory.

Paragraph (2)
Self-explanatory.

Paragraph (3)
Letter a
Self-explanatory.
Letter b
Self-explanatory.
Letter c
Number 1
Self-explanatory.
Number 2
In order not to cause interference, it is avoided to propose the placement of transmitting station location in the vicinity
of airports, intelligence facilities, and embassies of friendly countries.

Number 3
Technical specification means the description of the capacity of device used either in studio or transmitting technics. Block Diagram means the image that shows a relation between one device with other device that form a system.

Number 4
Diagram contour means the image of the area coverage of broadcast services based on the contour of land surface.

Article 5
Paragraph (1)
Self-explanatory.
Paragraph (2)
In verifying the completeness of administrative requirements and broadcasting technical data, the Minister may be assisted by Regional Governments and elements of the Central Government in the regions whose coverage of tasks and responsibilities are in the field of radio frequency.

Paragraph (3)
Self-explanatory.
Paragraph (4)
Self-explanatory.
Paragraph (5)
Self-explanatory.
Paragraph (6)
Self-explanatory.
Paragraph (7)
Self-explanatory.
Paragraph (8)
Self-explanatory.
Paragraph (9)
Self-explanatory.
Paragraph (10)
The decision of approval of broadcasting operations license means the principal license to operate broadcast trials.

Paragraph (11)
Self-explanatory.
Paragraph (12)
Self-explanatory.
Article 6
Self-explanatory.

Article 7
Paragraph (1)
Self-explanatory.
Paragraph (2)
Self-explanatory.
Paragraph (3)
Self-explanatory.
Paragraph (4)
Self-explanatory.
Paragraph (5)
This provision applies only for new Private Broadcasting Institutions.
Paragraph (6)
Self-explanatory.
Paragraph (7)
Self-explanatory.
Paragraph (8)
Self-explanatory.
Paragraph (9)
Self-explanatory.
Paragraph (10)
Self-explanatory.
Paragraph (11)
Self-explanatory.

Article 8
Paragraph (1)
Self-explanatory.
Paragraph (2)
Self-explanatory.
Paragraph (3)
Letter a
Violating provisions of the use of radio frequency spectrums means failure to meet the obligations to pay the frequency use fee in accordance with the prevailing laws and regulations.
Letter b
Without notice means that the broadcasting institutions does not submit a written report to the KPI (the Indonesian Broadcasting Commission).
Letter c
Self-explanatory.
Letter d
Self-explanatory.
Letter e
Self-explanatory.
Paragraph (4)
Self-explanatory.
Paragraph (5)
Self-explanatory.

Article 9
Paragraph (1)
Self-explanatory.
Paragraph (2)
Self-explanatory.
Paragraph (3)
Self-explanatory.
Paragraph (4)
Self-explanatory.
Paragraph (5)
In verifying the completeness of administrative requirements and broadcasting technical data, the Minister may be assisted by Regional Governments and elements of the Central Government in the regions whose coverage of tasks and responsibilities are in the field of radio frequency.
Paragraph (6)
Self-explanatory.
Paragraph (7)
Self-explanatory.
Paragraph (8)
Self-explanatory.
Paragraph (9)
Self-explanatory.
Paragraph (10)
Self-explanatory.
Paragraph (11)
Self-explanatory.
Paragraph (12)
Self-explanatory.
Paragraph (13)
Self-explanatory.
Article 10

Paragraph (1)
The licensing fee of broadcasting operations consists of the principle fee of broadcasting operations to operate broadcast trials and the fixed license fee of broadcasting operations.

The payment for the licensing fee of broadcasting operations and frequency use rights fee and their renewal is the non-tax state revenue and shall be submitted to the state treasury.

The applicant may receive a permanent permit for broadcasting operations or the renewal of broadcasting permit after attaching the payment slip.

Paragraph (2)
Self-explanatory.

Article 11

Paragraph (1)
Reported to the Minister first means to evaluate the proposal of the amendment to the name, domicile, structure, and articles of association of the said Private Broadcasting Institution before obtaining certification from the General Meeting of the Shareholders (RUPS).

Paragraph (2)
Approval from the authorized officials in line with the provision of the prevailing laws and regulations, for example, an approval to amend the articles of association of a limited liability company (LLC) conducted by a minister in charge of legal affairs.

Paragraph (3)
Self-explanatory.

Paragraph (4)
Self-explanatory.

Paragraph (5)
Self-explanatory.

Paragraph (6)
Self-explanatory.

Paragraph (7)
Self-explanatory.

Article 12
This provision aims to anticipate the migration from the analog broadcasting system to the digital broadcasting system, in which 1 (one) channel on the analog broadcasting system may accommodate 2 (two)
programs or more on the digital broadcasting system so the remaining channel capacity may be used for other programs or by other broadcasting institutions.

Article 13
The area coverage of local broadcast means the area coverage of broadcast services that cover the regions around the domicile of the said broadcasting institutions or one regency/city.

Article 14
Paragraph (1)
Self-explanatory.
Paragraph (2)
The provision of at least 60 (sixty percent) means to prioritize domestic programs. Meanwhile, for programs from abroad, it must be 40% (forty percent) at most and programs with the contents of religious, education, science and technology, culture, sport and entertainment issues shall be prioritized.
Paragraph (3)
Self-explanatory.
Paragraph (4)
Certain groups mean covering tribe, religion, race, and political and economic groups who are in dispute.
Paragraph (5)
Self-explanatory.
Paragraph (6)
Self-explanatory.
Paragraph (7)
Self-explanatory.

Article 15
Self-explanatory.

Article 16
Paragraph (1)
Self-explanatory.
Paragraph (2)
Self-explanatory.
Paragraph (3)
Foreign language may not be used for whole broadcast duration but may only be used as language of instruction in accordance with the needs of broadcast programs. This provision means to prevent the use of foreign languages as the language of
Paragraph (4)
Selectively dubbed means that dubbing may only be used for children and science and technology programs. This provision is meant for recorded programs.

Paragraph (5)
Self-explanatory.

Paragraph (6)
Self-explanatory.

Article 17
Paragraph (1)
Broadcast relay for regular programs means the relay conducted periodically within the period of more than 1 (one) month.

Paragraph (2)
Self-explanatory.

Paragraph (3)
This provision means that Private Broadcasting Institutions do not only conduct the relay from other broadcasting institutions but they are also required to broadcast their own programs at least 80% (eighty percent).

Paragraph (4)
International sport event programs mean sport event programs hosted by international sport organizations such as FIFA, IBF.

Paragraph (5)
Self-explanatory.

Paragraph (6)
Self-explanatory.

Paragraph (7)
Self-explanatory.

Paragraph (8)
Self-explanatory.

Paragraph (9)
Self-explanatory.

Paragraph (10)
Early warning means efforts to inform the public who are likely to be affected by natural disasters so that they can prepare themselves in facing the disasters. The information of the early warnings cover the details of the disaster possibilities and also safe locations to be used for protection or safety.

Paragraph (11)
At emergency response phase, the participation of Private Broadcasting Institutions is focused on disseminating
information to the public concerning measures to the evacuation of people, the handling of victims, and the disaster-hit areas.

Article 18
This obligation aims to protect the intellectual property rights of their owners.

Article 19
Self-explanatory.

Article 20
Paragraph (1)
The storing of broadcast materials aims to avoid the possibility of legal suits or objections from the injured parties triggered by the airing of certain programs.

Broadcast materials to be stored are materials for news programs.
Paragraph (2)
Self-explanatory.
Paragraph (3)
Self-explanatory.

Article 21
Paragraph (1)
Self-explanatory.
Paragraph (2)
Self-explanatory.
Paragraph (3)
Self-explanatory.
Paragraph (4)
Special rate means rate in maximum reduction or for free, which reflects the obligation of the said broadcasting institution, which uses the public sphere in its broadcasting operations.
The spread time means that the broadcasting is operated from 05.00 to 22.00 local time so that the airing will not be aired in the same hour.
Paragraph (5)
Self-explanatory.
Paragraph (6)
  Self-explanatory.

Paragraph (7)
  Domestic resources mean actors/actresses and the background of advertising products originated from domestic resources.

Article 22
  Paragraph (1)
  Broadcasting additional services mean services in the form of data communication, multimedia, or other telecommunications outside the main services that may be received with or without additional device of a radio or television receivers, or other receivers.
  Paragraph (2)
  Self-explanatory.
  Paragraph (3)
  Self-explanatory.

Article 23
  Self-explanatory.

Article 24
  Paragraph (1)
  Self-explanatory
  Paragraph (2)
  Capital replenishment and increase to meet capital fulfillment emanating from foreign capitals means the increase in capitals deposited by foreign citizens and/or foreign juristic persons, including the amendment to the ownership of foreign nationals and/or foreign entities.

Capital foreign replenishment may be conducted after the trial period of broadcasting ends and has obtained fixed permits of broadcasting operation, that is, at the earliest 6 (six) months for a radio Private Broadcasting Institution and 1 (one) year for a television Private Broadcasting Institution.

Paragraph (3)
  This provision aims to prevent both direct and indirect controls by foreign shareholders to a Private Broadcasting Institution above 20% (twenty percent).
  Paragraph (4)
  Self-explanatory.
Paragraph (5)
Self-explanatory.

Article 25
Self-explanatory.

Article 26
Self-explanatory.

Article 27
Self-explanatory.

Article 28
Paragraph (1)
This provision aims to supervise the ownership of Private Broadcasting Institutions by foreign citizens and/or foreign juristic persons.
Paragraph (2)
Self-explanatory.

Article 29
Self-explanatory.

Article 30
Self-explanatory.

Article 31
Paragraph (1)
Self-explanatory.
Paragraph (2)
Self-explanatory.
Paragraph (3)
The said laws and regulations mean the laws and regulations in the field of LLC.
Paragraph (4)
Self-explanatory.

Article 32
Self-explanatory.

Article 33
This provision aims to prevent Private Broadcasting Institutions from having 3 (three) kinds of media at once, namely radio, television, and
print media with the share ownership on each broadcasting institution and the printed media amounting to 25% (twenty-five percent) or more, or under 25% (twenty-five percent) but act as a controller to each broadcasting institution and printed media. Therefore, the said Private Broadcasting Institution may not monopolize public opinion.

The said printed media means daily newspapers.

The said cross-ownership means the share ownership.

Article 34
Paragraph (1)
Self-explanatory.
Paragraph (2)
Self-explanatory.
Paragraph (3)
Self-explanatory.
Paragraph (4)
Self-explanatory.
Paragraph (5)
Shall broadcast local programs means that Private Broadcasting Institutions in the regions that become members of the station networks shall be given the opportunities to deliver programs with local contents.
Paragraph (6)
Self-explanatory.

Article 35
Self-explanatory.

Article 36
Letter a
Self-explanatory.
Letter b
Self-explanatory.
Letter c
Self-explanatory.
Letter d
Self-explanatory.
Letter e
Self-explanatory.
Letter f
The exceptions include:
1) In the event that a broadcasting institution has a broadcast area coverage of 60% (sixty percent) from the number of provinces in Indonesia, in accordance with the provision stipulated in Article 36 letter e, its broadcast area coverage may reach 75% (seventy-five percent) from the number of provinces in Indonesia.

2) In the event that a broadcasting institution has a broadcast area coverage of 80% (eighty percent) from the number of provinces in Indonesia, its broadcast area coverage remains 80% (eighty percent) from the number of provinces in Indonesia.

3) In the event that a broadcasting institution has a broadcast area coverage of 98% (ninety-eight percent) from the number of provinces in Indonesia, its broadcast area coverage must reach 90% (ninety percent) from the number of provinces in Indonesia so that its broadcast area coverage must be reduced by 8% (eight percent).

Letter g
This provision serves as the obligation of Private Broadcasting Institutions to provide balanced information between developed regions and less-developed regions.

Letter h
Self-explanatory.

Article 37
Paragraph (1)
Broadcasting technical fundamental plan means guideline for broadcasting operations so that public may have access to the proper, quality broadcast services, and facilitate the operation among broadcasting institutions, promote reasonable broadcasting infrastructures, and not harm the safety and security.

Paragraph (2)
Self-explanatory.

Paragraph (3)
Relevant institutions mean government as well as non-government institutions responsible and related in broadcasting.

Article 38
Self-explanatory.

Article 39
Paragraph (1)
The application of the national standard and the technical requirements of the transmission device aims to:

a. Prevent distortion among broadcasting tools and device;

b. Protect the public from the possibility of financial loss due to the use of broadcasting tools and device that do not conform to the national standard and technical requirements of transmission device;

c. Encourage industries, innovations, and broadcasting technological engineering nationally.

Paragraph (2)
Self-explanatory.

Paragraph (3)
Self-explanatory.

Paragraph (4)
Self-explanatory.

Article 40
Self-explanatory.

Article 41
Self-explanatory.

Article 42
Self-explanatory.

Article 43
Self-explanatory.

Article 44
Self-explanatory.

Article 45
Self-explanatory.

Article 46
Self-explanatory.

Article 47
The said certain phase covers clarification and evaluation conducted by the KPI.

Article 48
Self-explanatory.
Article 49
Self-explanatory.

Article 50
Self-explanatory.

Article 51
The said certain phase covers clarification and evaluation conducted by the KPI.

Article 52
Self-explanatory.

Article 53
Self-explanatory.

Article 54
Self-explanatory.

Article 55
Self-explanatory.

Article 56
Self-explanatory.

Article 57
Self-explanatory.

Article 58
Self-explanatory.

Article 59
Self-explanatory.

Article 60
Self-explanatory.

Article 61
Self-explanatory.

Article 62
Self-explanatory.
Article 63
    Self-explanatory.

Article 64
    Self-explanatory.

Article 65
    Self-explanatory.

Article 66
    Self-explanatory.

Article 67
    Self-explanatory.

Article 68
    Self-explanatory.

Article 69
    Self-explanatory.

Article 70
    Self explanatory.

Article 71
    Paragraph (1)
        The said report serves as administration data.
    Paragraph (2)
        Self-explanatory.
    Paragraph (3)
        Self-explanatory.

Article 72
    Self-explanatory.

Article 73
    Self-explanatory.
This unofficial English translation is brought by the collaboration between Government translators from Ministry of Communication and Informatics and Cabinet Secretariat: Andhika Widyarani, Aulia Astagina Ramadhani, Chrisna Harimurti, Cintami Agnes Selviani, Ivan Atmanagara, Muhammad Ersan Pamungkas, Muhardi, Penni Patmawati Rusman, Rina Alexandra, and Siti Chodijah.