



## Client Alert October 2023

### Introduction: Golden Visa for Foreign Investors in Indonesia

#### Overview

On 24 August 2023, the Minister of Law and Human Rights of the Republic of Indonesia enacted Regulation of Minister of Law and Human Rights of the Republic of Indonesia Number 22 of 2023 on Visas and Stay Permits (“**MOLHR Reg. 22/2023**”), which introduces a new visa scheme called “**Golden Visa**” for foreign investors.

#### A. Overview of Golden Visa

In recent years, the Indonesian government has taken significant efforts to establish a more welcoming environment for foreign investors by offering a range of incentives and opportunities as well as policy reforms and initiatives aimed at accelerating foreign capital inflow. This commitment to attracting and facilitating foreign investment plays a pivotal role in Indonesia’s quest for sustainable economy and global competitiveness.

The Golden Visa program has been acknowledged by other countries, among others Portugal, Greece, and Spain, where this type of visa allows foreign investors to obtain residency or citizenship by contributing significant financial investments or contributions to the relevant country.

Under MOLHR Reg. 22/2023, foreign investors can obtain either 5-year or 10-year resident permit (“**Limited-Stay Visa**”), depending on the value of their investments, as follows:

	5-year visa	10-year visa
Foreign individual investor intending to establish a company in Indonesia	the company must be established with issued capital or investment value of at least USD 2,500,000 (two million five hundred thousand United States Dollars) or equivalent to IDR 38,000,000,000 (thirty-eight billion Indonesian Rupiahs)	the company must be established with issued capital or investment value of at least USD 5,000,000 (five million United States Dollars) or equivalent to IDR 76,000,000,000 (seventy-six billion Indonesian Rupiahs)
Foreign individual investor who does not intend to establish a company in Indonesia must invest through Indonesian government bonds, shares of a publicly listed company in Indonesia, or mutual funds from a publicly listed company in Indonesia	the investment shall be at least USD 350,000 (three hundred fifty thousand United States Dollars) or equivalent to IDR 5,300,000,000 (five billion three hundred million Indonesian Rupiahs)	the investment shall be at least USD 700,000 (seven hundred thousand United States Dollars) or equivalent to IDR 10,600,000,000 (ten billion six hundred million Indonesian Rupiahs)
Foreigner who will serve as a member of board of directors or board of commissioners of a company to be established in Indonesia, which is a branch or subsidiary of a company domiciled outside the Indonesian territory	a statement of commitment must be provided by the company to be established, with an investment value of at least USD 25,000,000 (twenty-five million United States Dollars) or equivalent to IDR 380,000,000,000 (three hundred eighty billion Indonesian Rupiahs)	a statement of commitment must be provided by the company to be established, with an investment value of at least USD 50,000,000 (fifty million United States Dollars) or equivalent to IDR 760,000,000,000 (seven hundred sixty billion Indonesian Rupiahs)

## B. Benefit and eligibility

Article 33 of MOLHR Reg. 22/2023 stipulates that the Limited-Stay Visa shall be granted to foreigners in relation to foreign direct investment activities, whereby:

- a. the foreigner is an individual investor who intends to establish a company in Indonesia;
- b. the foreigner as an individual investor who does not intend to establish a company in Indonesia; and
- c. the foreigner will serve as a member of board of directors or board of commissioners of a company to be established in Indonesia, which is a branch or subsidiary of a company domiciled outside the Indonesian territory. It is noteworthy that visas in this category can only be granted for a maximum of 10 persons (including the board of directors and/or board of commissioners, cumulatively) per company.

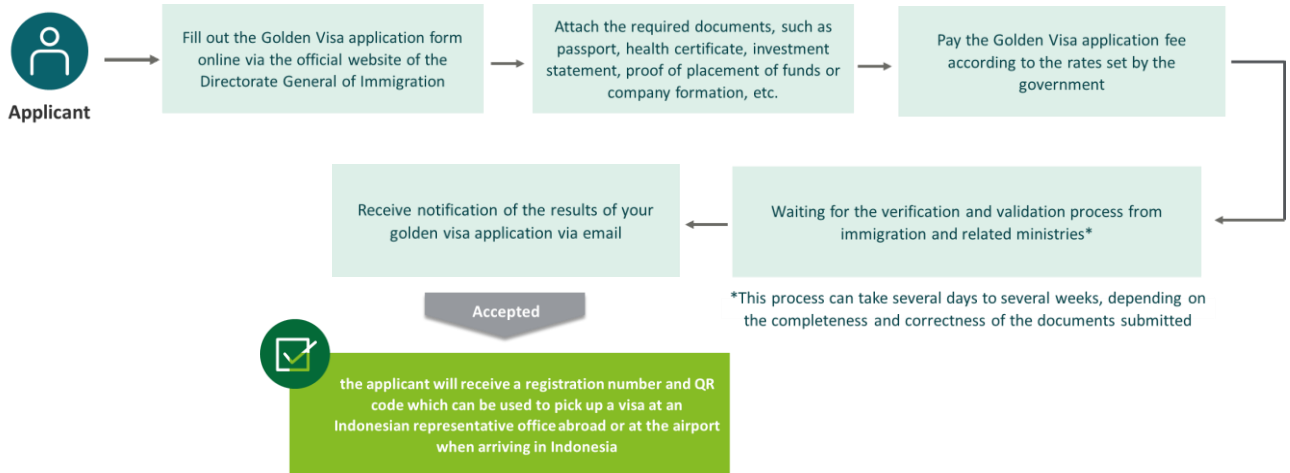
An application for the 5-year or 10-year Limited-Stay Visa shall be submitted by the foreigners through an application to the immigration official appointed at the Directorate General of Immigration by enclosing the following:

- a. current national passports that are legal and still valid for at least six months;
- b. proof of immigration guarantee;
- c. proof of having living expenses for themselves and/or their family while in the Indonesian territory;
- d. recent color passport photo; and
- e. other documents explaining the intention/purpose of the arrival of the foreigners.

By obtaining the Golden Visa, foreigners will be able to experience several benefits as stated under Article 190 of MOLHR Reg. 22/2023, as follows:

- a. priority examination lane at the immigration checkpoints stipulated by the MOLHR;
- b. priority services at the immigration office; or
- c. priority services from related agencies or government institutions, based on a cooperation agreement.

### C. Procedures



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